

## IDAHO STATE TAX COMMISSION

### COMMISSIONERS' BUSINESS MEETING MINUTES OF MEETING APRIL 29, 2025

In attendance: Chairman Jeff McCray; Commissioners Janet Moyle, and Paul Woods; Evan Sailor, Lisa Kopke, Julie Eavenson, Rick Mascall, Lisa Palmer, George Brown, Kim Wind, Elisa Magnuson, Rhamona Grabenstein, Laura Lantz, Executive Director, Idaho Society of Certified Public Accountants (ISCPA), Ray Shephard and Gil Arouxet, Western States Regional Council of Carpenters (WSRCC).

Absent/Excused: Commissioner Jared Zwygart, Aaron Yost.

#### Public Session

Chairman McCray called the meeting to order and welcomed all those in attendance.

#### Business requiring a vote of the Commission.

Minutes: Regular Business Meeting – January 28, 2025

**Commissioner Moyle moved to approve the minutes of the Regular Business Meeting held on January 28, 2025. There was no discussion; all commissioners voted aye, and the minutes of the Regular Business Meeting held January 28, 2025, were approved.**

#### Administrative Reports

Evan Sailor, Chief Operating Officer

Mr. Sailor said, as the new Chief Operating Officer, he was asked to provide his background and his vision. He had a 30-year career in law enforcement. He worked in the Newport Beach Police Department, Orange County, California where he gained experience through many assignments as an officer and promoted through the ranks to Lieutenant. He supervised several units including the Patrol Division, Traffic Division, Detective Division, and he worked in the office of the Chief of Police as a Public Information Officer and Public Relations Manager. When he retired in 2015, he was managing the Emergency Management section that included Special Weapons and Tactics (SWAT), K-9, the Mounted Enforcement Unit, and the Mobile Field Forces. He retired in 2015 for two weeks and moved to Idaho. He was hired by the Industrial Commission as the Compliance Manager and worked there for six years, then applied for the opening in the Compliance Division at the Tax Commission. He was selected and started as the Tax Commission Compliance Division Administrator in September 2021 until his recent promotion to Chief Operating Officer.

Moving forward, his vision is the unifying message of One Team. That aligns with our goals – to be a team of great people. He believes we sometimes forget that. We should strive to be the ideal team player. He recommends everyone and their supervisory staff read the book of the same name by Patrick Lencioni, wherein he talks about being humble, hungry, and smart. We need to continue to hire the right people and train them with the tactical skills they need and to continue to promote the right people and to train them properly. He sees room for improvement with our foundation of workplace trust. He feels there is room for improvement because that's the foundation of everything. The more trust we have, the better we can engage in healthy conflict. Creative solutions come from healthy conflict where problems are resolved.

Organizationally, leadership is changing. An article was published yesterday on the agency's Share Point site, Tax Insider. Rick Mascall will take over the General Services Division, and Kim Wind is moving from Audit to Revenue Operations. The purpose isn't punishment. Based on his knowledge and experience in law enforcement, and Chairman McCray's background in private industry, moving people is a chance to get a fresh set of eyes to see if perhaps someone was missed, or if there are recommendations to improve some processes. It's also for professional development and growth. He believes this will help improve things in the agency. He's looking forward to reduced confusion, improved and better communication, better informed decisions, improved morale, and lower turnover. The healthier we are, the better we can serve the taxpayers.

The change in employee compensation (CEC) report was due Friday to the Division of Human Resources (DHR) and the Division of Financial Management (DFM). He thanked Lisa Kopke, Financial Executive Officer, and Rhamona Grabenstein, Agency Human Resource Officer, for their collaborative work to get that done. The CEC plan was submitted following strict guidance in this year's legislation. The plan says we'll give a \$1.05 pay raise to all employees who received an "achieves" performance rating; \$1.30 to those who received a "solid sustained" performance rating, and \$1.55 to those who received an "exemplary" performance rating. There were also positions identified as "high risk," or those positions that experience a high turnover rate, including information technology (IT) positions, who will receive a 4.5% pay raise. Once the plan is approved, it will be implemented June 8, meaning employees will receive their increases on the July 3 paycheck. The guidance includes language that any unused funds will be reverted.

This was a very busy legislative session with over 40 bills passed that had some impact on the Tax Commission, including the two large ones, House Bills 93 and 144. Philip Johnson, Government Affairs Tax Specialist, will cover those in his update later today.

Mr. Sailor thanked everyone that participated in the Curbside Service on April 15. He enjoys interacting with taxpayers because it's a good chance for us to work with them. The number of visitors was lower this year than last, but the weather was perfect.

The agency remains focused on strategy and operational excellence. The most recent survey is posted on Tax Insider for all employees to view. The career path document is on the human resources page, Tax HR Central. The Strategy Recalibration, normally scheduled in May, is now scheduled for the second week of June. It's an opportunity to measure performance over the last year and to plan the path for the future. The Commissioners and Leadership Team will hear from invited stakeholders, including county government, legislature, and Tax Commission employees. The Annual All-Employee Meeting is different this year. The Commissioners and Leadership Team will visit Pocatello on May 6, where the Idaho Falls, Pocatello, and Twin Falls Field Office employees will participate in the employee meeting. On May 13, the teams will be in Coeur d'Alene to talk to the Lewiston and Coeur d'Alene Field Offices. On May 28, the Boise office will participate at the Chinden Campus Conference Center. And lastly, the summer picnic is scheduled for July 10.

#### Lisa Palmer, Tax Appeals Manager

Ms. Palmer reported on Appeals cases from January 1, 2025, until March 31, 2025. They currently have 197 cases open in Appeals. During that same period, they've closed 95 cases, which is a little less than this same period one year ago. In 2024, they'd closed 1115 cases. Of the 95 closed cases in 2025, a written decision was issued in 47%, a protest withdrawal was received from the taxpayer in 23% of the cases, 8% were resolved with a closing or settlement agreement, and 22% were closed miscellaneous, meaning the returns were filed (in the case of a non-filer), the notice of deficiency (NOD) was canceled, and one case was determined by the Board of Tax Appeals as dismissed in favor of the Tax Commission. The average number of days to close a case was 174 days. The same period in 2024 was 210 days to close a case, so they've dropped the amount of time it takes to resolve cases over the last year.

The next two Appeals Resolution Meetings will be held on May 14, and June 4, at 10:00 a.m. in the Coral Auditorium.

Keven Griffin recently retired, leaving a vacancy for which she is actively recruiting. They've received 18 applications and have scheduled interviews. Appeals Staff have assisted the taxpayer resource unit (TRU) to provide research validation. Two Appeals staff have been assisting by reviewing answers that were previously provided to ensure the answers remain valid.

Chairman McCray thanked Ms. Palmer for reducing the average days to close a case, and he commented that number of appeals running up against the statutory cutoff has significantly improved. Obviously, her team is staying on top of things and doing good work and he appreciates it. He also appreciates the assistance to TRU.

With the Appeals Specialists' knowledge and expertise, they can help to provide the best answers possible. He asked Ms. Palmer to extend his gratitude to her team.

Evan Sailor, (former) Compliance Division Administrator

Mr. Sailor updated the Commission on the projects in Compliance saying that the X-9/E-Levy project, the electronic levy process, went live with Mountain America Bank. They thought they'd be live with US Bank, but there were some issues with the testing, so they're working through it. They have gone into testing with Chase Bank, and Wells Fargo bank recently contacted Idaho. Wisconsin was supposed to be the first state for Wells Fargo, but Wisconsin couldn't meet their obligations, so they asked if Idaho would be their first state. We said yes and hope to be moving forward with Wells Fargo soon. This will help employees save significant time. Mr. Sailor thanked Isaac Joyner's team in the Technology and Innovation Bureau. As the developers have available time, they continue to work on the compliance non-filer project. For those, staff enters an estimate and eventually "chases zeros" because the business never had employees or the individual never opened the business, yet we send them a bill. This project will resolve those issues.

For fiscal year 2025, through the end of March 2025, Compliance created 97,032 cases and closed 111,686. They're doing a great job. This morning when he looked, there were 49,143 open cases which is a very good number at this time of year. With the individual income tax, on May 5, if there is anyone that still owes debt for the 2024 tax year, Compliance Officers will be on the phones. He estimates there are about 30,000 cases where the taxpayer still owes something. Within one week, the Compliance Officers will have contacted them all. Taxpayers have said they like this level of customer service. Compliance has recovered \$201 million this year. Part of that is through the outside collection agency (OCA), who has collected over \$400,000 on our behalf. The accounts receivable is at \$206.5 million, as of this morning.

For training, Compliance just had all Compliance Officer 2's and 3's in Boise for training. Kaylea Harrold, Compliance Training Specialist, did a fantastic job. She arranges and facilitates the training. She breaks people into groups by areas of expertise for training categories. They conducted mock seizures, and he thanked those that helped. George Brown, Property Tax Division Administrator, had his vehicle "seized" multiple times that morning. Everyone loved him and said he was very credible. The Field Office Managers were all in town this past week for professional development and that went well.

Accomplishments include helping taxpayer services (TPS), along with Audit who's also been helping, through March and April to handle the increased call volume. They've hired a temporary employee who previously worked in Compliance. She was working in Revenue Operations, but because she knows how to post payments, she's going to work with Compliance. The Field Office Managers are finalizing a standard operating procedure (SOP) on scanning and depositing checks in all field offices. He's aware this procedure will change when the imaging project goes live.

Compliance is actively recruiting for a position in Lewiston. At last count, there were 13 applicants for the Compliance Officer 1 opening, and they've posted the Compliance Officer II position previously held by Patty Gilmore who retired. There are open positions in Boise, also. One was recently filled by a Revenue Operations employee, Daniel Bishop, and he's doing very well. They've also hired Barbara Wimberly in Boise. In Idaho Falls, they've hired a new Technical Records Specialist I, Sarah Scott, and a new Compliance Officer I, Andy Eldridge. Coeur d'Alene hired Blasé Ringovich as Compliance Officer 1.

Chairman McCray asked if the 13 applicants in Lewiston were a result of the job fair at Lewis and Clark State College. Rhamona Grabenstein, Agency Human Resource Officer, was recognized to respond and said she cannot attribute the applicants to the job fair because the table they had wasn't well attended. The career center, though, sent out considerable information on the Tax Commission. She thinks that even if people didn't get to the table at the job fair, they would have received information and support through the career center. Chairman McCray noted it was the first time the agency has been to a job fair in that region to make our presence known.

George Brown, Property Tax Division Administrator

Mr. Brown said there are two major things about which he intends to speak. The first is that there is a request for information (RFI) posted and six meetings are scheduled with vendors for this week and next for the software project. He said the RFI process isn't what they expected, so he doesn't know how useful it will be. They just want to do everything right the first time so if there is a budgetary request, they can ensure they have all the information available, and this is the first step in doing that. He has some county Assessors and Treasurers helping with this effort.

The second thing to point out is that Property Tax finally has a full geographic information systems (GIS) section. Paul Reyes was hired yesterday as the GIS Manager. They're very excited because he has a wealth of experience, education, and has worked with both the state and the counties as a contractor. He worked extensively with the E911 program and knows everyone in the business. Please welcome him when you see him.

Property Tax is currently conducting budget and levy training and urban renewal training. There was an urban renewal training in Pocatello yesterday and over 50 people attended. The room was full. In general, these classes are more and more full every year. The board of equalization training was the same way. He's had more county commissioners attend than ever; he had to go one county twice for board of equalization training.

For the initial ratio studies this year, they had five categories out of compliance that will require a ratio study follow-up in July. That's five in the whole state. There were two agricultural categories out of compliance, both in the same county. There were seven total categories out of compliance. That is a very low number. The high was a couple of years ago when there were about 78 categories out of compliance. Generally, it's 15 up to a high of 30. The very low number shows two things: that assessors are doing their job, and that the steady increase in the market has flattened out. Nothing is going down yet, but it has flattened, so there isn't much growth.

The education report is available to the Commission for their review and if they have questions, he can answer. Commissioner Moyle was recognized and said Property Tax does a very good job. Having GIS full is good. Mr. Brown added that the GIS unit was previously four people, and they reconfigured it to three. He will give Mr. Reyes a few months to see what he needs and to provide him with the tools to right-size the unit.

Commissioner Woods was recognized and commented that this was another active legislative session, and Mr. Brown and his team are already helping counties implement new legislative requirements. Between that and the new software project, Property Tax staff have been communicating constantly with the counties to keep them involved and part of the process, and it's kept them all busy. They're doing a very good job.

Rick Mascall, Revenue Operations Division Administrator

Mr. Mascall began with statistics, saying the information provided to the Commissioners was for the end of March. They are different as of today. There are approximately 906,000 individual income tax (IIT) returns right now. There are about 70,000 business income tax (BIT) returns, so they're about half finished, according to their estimate. Refunds are up to about \$527,000 now which is close to what they had in 2022. There are a couple hundred thousand left to be closer to where they were last year. The average is about \$723.50 per return right now. They're still expecting about 150,000 IIT this year. They expect more in October.

The Idaho business registrations (IBRs) are down because they are more efficient in how they process new IBRs. They're continuing to make that process better. That doesn't affect the increase in sales tax permits or withholding permits, which are both up about 700 for withholding and about 1,000 for sales tax. Commissioner Moyle was recognized and asked Mr. Mascall to identify the acronyms he's using for those in the room who may not know. Mr. Mascall explained what an IBR form is, saying that if someone needs a withholding account, or a sales tax permit, it's submitted on an Idaho Business Registration form. There are three state agencies who interact with that form, the Idaho Department of Labor is the first. It's their electronic form that comes through, then the Tax Commission receives a file, and, based on what was submitted, we open either a withholding or sales

tax permit, depending on what they need. The Department of Labor does what they need to do, as does the Industrial Commission, who also interfaces with the file.

Revenue Operations (RO) is engaging in more outside training now. They've worked with the Property Tax Division to get Excel training, and they've attended several Crucial Conversations classes. As they begin to work more with customers, as part of their strategy, they need employees to be able to talk with coworkers and the public better. They've had quite a bit of turnover this quarter, and it's caused them to run three groups through the "RO Academy." Those were successful. Tammy Schwendemann is the new Training Coordinator. She's gone through some of the classes and has identified areas of improvement. During the last part of the quarter, she's been working on procedures and updating training material as part of her audit process. They brought in 46 temporary employees this year. They expected to bring in 53. In past years, they've had temporary employees returning, but there weren't as many this year. Because of the enhanced training, they were up to speed quickly and were able to stay ahead of the backlogs.

Mr. Mascall updated the Commission on the Process Center Modernization (PCM) project, or the imaging contract they began in October 2024. It will bring efficiencies to paper processing, and even though IIT is only 10% paper, it still makes up about four million pieces of paper that run through the initial data operations group. They wanted to make it less complex for that group to sort the mail. They've simplified the process, and it can now be done quickly. There are far fewer keystrokes. He said there were three levels of data entry in the old system, including many redundancies for every line. This system will cause data entry by exception, meaning that if the machine can't read it, the employee will have to enter the data. This software reads the characters better. It's always been a problem for imaging when the forms are condensed, it can't read the characters well, but this system appears to read much better. The project has four phases. Phase 1, the infrastructure, was completed in December. Phase 2, Permits, is near completion and should be finished in mid-May. It covers all permit-type taxes, payments, and vouchers. Training was last week, and they're testing this week through mid-May. They expect to go live, after testing, for Permits. They'll then move into income tax, which is expected to be implemented by the end of December. After that, they'll move into correspondence and some miscellaneous forms that will be added by April 2026.

Commissioner Moyle was recognized and said they appreciate Mr. Mascall and his team going through this. For our guests, the reason this is important is that if there isn't a good flow throughout the process, the money doesn't come in and go out as it should. This is important for taxpayers because it allows refunds to go out quicker for those receiving refunds. People don't understand what goes on behind the scenes; it's very detailed work and the Commissioners appreciate the staff for what they do.

Mr. Mascall said he had previously reported that he thought they might have some delays in the payment processing, or return processing, and he's happy to say there haven't been any delays. The initial data operations group has kept the mail cleared out every day. He's happy about that. The initial data operations group brought in 167,000 pieces of mail this quarter. The most important part, for him, is that income tax filings were up about 6,000 this year. That's telling because when they only have 10% paper, it's a big percentage of the paper they've received earlier than normal.

Mr. Mascall noted that turnover is normal. Their vacancy rate was 5% last quarter. That's down from the last quarter of 2024. The vacancies reported are because it was tax season and they couldn't get people hired quickly – they didn't have the people to conduct interviews and wouldn't have been able to train them had they hired them quicker. The vacancies will fill quickly now that they have time. The initial data operations team has three vacancies, and there are four in the registration and processing unit. They have a new business income tax supervisor, and they've promoted people from within, which causes other vacancies. The permit team has 11 people, and they've had four and five vacancies throughout this last quarter. The income tax group has stayed whole. Three seasonal employees will be working in initial data operations and others will work with registration and processing to help with some of the permits and the business registrations that need to be processed.

Commissioner Woods was recognized and said this is a hectic time of year and processing the returns, both electronic and paper, is a crucial part of how the state gets its revenue. He thanked everyone. Mr. Mascall said he would convey the Commission's thanks.

Chairman McCray said one of the things he learned early on, and he doesn't want to discount the amount of work done through tax drive until April 15<sup>th</sup>, but the Tax Commission is busy year-round with the business registration, withholding, and all the work they do. The heavy lift for the agency begins now with all the legislative activity and the education and outreach that occurs during the summer and fall. He recognizes there is an influx of returns and processing, but he wants to acknowledge that there isn't a slow time at the Tax Commission. Chairman McCray noted Mr. Mascall talked about staffing and not getting as many seasonal staff as he'd like, so he asked about the amount of overtime this year. Mr. Mascall said last month, there was only about 60 hours combined for everyone. It isn't as high as he expected. They worked last Saturday and will work this Saturday for half a day. Most of that work is with the Permit Team to get the business registrations and the sales and use tax returns caught up. Income tax didn't have much overtime at all. Chairman McCray said it seems that is lower than last year and asked if the agency has hit the "peak" for overtime. Mr. Mascall said for income tax, yes. For permits, they're catching up. There will be a little more through May.

Chairman McCray asked if the PCM project will have an impact on the Field Offices and what the plan is to integrate them. Mr. Mascall said there is an impact. They have Fujitsu scanners that required new software to be installed. They will also have different batching. They've talked to all the Field Office Managers and given them an overview of the new system. The team is committed to traveling to each Field Office to help them get their first batches through testing.

#### Kim Wind, Audit Division Administrator

Ms. Wind began by reporting on the GenTax development work orders (SQRs) in Audit. Last year, there were 53 closed. There were 54 closed this quarter. With the Fraud statistics, as usual, the fake W-2's are the biggest scheme at 78%. What's interesting on the report is that there is a "tax due" in fraud and some asked why. It's because the fraudsters are trying to get money from the federal government and it makes the returns look better if they have a state tax due. They've seen where one year they have a tax due, and the next year it comes in with a refund. They train employees to look at both sides, not just the refunds. They are not actually submitting a payment.

There were 11 cases assigned to a county prosecutor that are awaiting action. There was one new case sent to a prosecutor this quarter, two sentenced, and four dismissed. Of those that were sentenced, one was in Canyon County, a Senior Human Resources Generalist embezzled \$710,000 and didn't file taxes. They were sentenced to 180 days in jail and two years' probation. The other was in Kootenai County, a bookkeeper for a construction business, who embezzled money and failed to report the income. The Fraud Unit takes referrals anytime because it happens often. A judge issued a Writ of Mandate for a married couple in northern Idaho to file delinquent Idaho returns for two years. They had an income totaling more than \$982,000 and weren't filing. That was a great case and she thanked the Attorney General's office.

There were 4,664 audits closed for fiscal year 2024 and for fiscal year 2025, it's 5,111. Even though they have fewer staff than in previous years, they are keeping up with the number of audits closed and improving. Audit recoveries in fiscal year 2024 were \$20 million and in fiscal year 2025 was \$24 million.

Ms. Wind said she likes reporting on the audit surveys. Five is the highest they can receive on the survey, and she has a whole page of them. Isaac Ohm, Tax Auditor 1, received the following comment, "Have Isaac Ohm teach all the new tax auditors and have him teach customer service skills to all the Tax Auditors. He was really great – actually made me feel good about paying \$1,800 in back taxes." She has a whole list of all fives: Cindy Russell, Maurine Gregory, Lynae Van Horn, Josh Condrack, Andrew Jones, Kathryn Christie, Robin Maupin, Donna Teare, Peggy Wright, JoVonn Hurst, Jun Arcayena, Lola Lynch, Laura Turner, Mila Malevich, and Ron Yu. Ms. Wind went on to read more of the comments provided. Those that rated the Audit Division as either a

four or five is at 97%. That is awesome when you think of what they do. She knows taxpayers don't like the letters, but staff try to provide good customer service and walk them through the process. They've done a great job.

Some accomplishments include that in February, they completed 73 unit processes for operational excellence (OE) and created the metrics. The UP! Mentoring program launched in April with guest speaker Bobbi-Jo Meuleman, President and Chief Executive Officer of the Boise Metro Chamber of Commerce. Ms. Wind recognized Rebecca Danley, Tax Bureau Chief, for leading that program.

Staff have been attending training and career fairs. They were at the Northwest Nazarene University (NNU) career fair in February. Staff are presenting for the Multistate Tax Commission (MTC), volunteering with the IRS's Volunteer Income Tax Assistance (VITA) program and working on the Taxpayer Resource Unit's (TRU) library. Ms. Wind said she helped on the phones recently and found the library very useful. Her staff have helped with the questions in the database. They've also assisted 221 students through the International Student Seminar.

Commissioner Moyle was recognized and said she appreciates everything the auditors do. She's attended some meetings in Coeur d'Alene and members of the public complemented her for Rick Lawless, Tax Auditor 3, Lewiston Field Office. It shows that audit is a scary thing for anyone and when they're getting compliments, she feels we're meeting our strategic goals of educating taxpayers because we want voluntary compliance. When we make them feel they were listened to and we understand the educational side of an audit, it just shows the professionalism of our staff. She asked Ms. Wind to pass the thanks along to the Audit staff.

Chairman McCray said he appreciates that her team goes beyond Audit, meaning they help drive the UP! Mentoring program, they participate in job fairs, because it's beneficial to have peers in recruitment so those applying for the job know what they're getting into, and the Audit team is always leading the way in employee events and engagement. He appreciates their attitude.

#### Julie Eavenson, Public Information Director

Ms. Eavenson followed up on the comments Ms. Wind made earlier about the library. Audit and Appeals are part of a bigger effort, as well as Research, to better inform the taxpayer when they have questions. Ms. Wind and Ms. Palmer donated resources to the Taxpayer Resource Unit (TRU) and Taxpayer Services Unit (TPS) to vet previous questions that have been asked to ensure that when they're communicating with taxpayers, they're focusing on what they really need to know. With Audit's help, they learned that they were providing tax advice and have since stopped doing that. Agents are very clear and encourage people to work with their preparers. The less tax advice provided, the happier the taxpayer. It's shown in the numbers, as indicated by the report she provided to the Commission. She also followed up on what Mr. Sailor talked about regarding the curbside service numbers. There were 207 people this year, 341 last year, and 200 the year before.

Ms. Eavenson said she wants to add perspective on the conversations about Revenue Operations. One hundred percent of Idaho taxpayers interact with RO. Audit work is important, and even though the population continues to grow, only about 1% of taxpayers interact with Audit, and only 2% - 3% interact with Compliance. When they talk about the necessary work being done, it's good to put the numbers into perspective because it's really a small percentage of people that interact with us through Audit or Compliance.

Information Technology Services (ITS) has identified that the Tax Commission website does not meet the federally mandated Americans with Disabilities Act (ADA) compliance requirements. We have a contractor reviewing our web pages to ensure that by 2026 we meet the mandate for government sites to be ADA compliant. The good news is that yesterday the Citizen Engagement Committee, who controls funds that help citizens engage with government, approved our funding for that project. That means the money for this project won't come from the Tax Commission budget. It will be funded by this group that was created to help deal with these kinds of things. The next steps are to sign a contract, receive procurement authorization, and hopefully get that project

moving. It looks like it will be about a three-month process. That's good news because we want to ensure that when taxpayers engage with us, they can interact regardless of disability.

Ms. Eavenson talked about vacancies and noted that she and Mr. Sailor have discussed the expectations for the call center, which is to answer the phones. In his previous position as Compliance Division Administrator, they agreed to have a better taxpayer services presence in the Field Offices. As the population continues to grow and there's not enough resources, they need to use available resources to focus on being the most effective, so the Compliance/TPS position in Coeur d'Alene will be filled in Boise to focus on answering the phones. They know 60% of calls answered isn't where they should be, but all other factors are pointing to doing it better than they ever have in the past, and with the help of the other divisions and training people, she feels they're moving in the right direction.

Ms. Eavenson said media coverage is currently 5% negative due to the Idaho Power and Avista coverage. Most of the time, we manage the issues to information and education, so we aren't controversial in the news media, but we did pick up negative coverage over this because it was a big decision that affected many people.

Thanks to Compliance and Audit, they have been averaging about 55 more calls per day than normal. It's almost equivalent to a newer taxpayer services representative. That's a big difference when fielding thousands of calls in a week. The numbers are still not where they'd like, but the questions are more complex, with new people coming into the state who need more help. Staff are also doing more. Over the course of the last three years, there have been rebates, and while those have gone away, it caused the calls to be higher. They also saw a spike in calls when House Bill 93 passed. People want to know about it, which will be an issue. She's confident that the answers they're giving are better than they were one year ago and that, with the help of the other divisions, they're providing better information. There was only one complaint during the tax season this year that escalated outside the agency. That's amazing, compared to other years, when there were dozens of complaints. She thinks that reflects the character of the people they're hiring, and the quality of training. If they can keep them from getting burned out, they have a great team in the call center. She recognized the Tax Representatives Mark Smith and Bill Ross who've helped keep call numbers down. Ms. Eavenson said they've hired a temporary employee, Caitlin Traxler, from Compliance. She believes that the better the website, and the better the tax representatives are, and the better they can work with research, the better the taxpayer is served because they don't need to shop around to find the answer. They've never exceeded 36 hours for responses. They were weeks behind last year and Mark Smith has done a phenomenal job managing that.

Ms. Eavenson talked about social media and said they're tracking Threads and Bluesky. She said the reason they're on those sites is to reserve our handles, or names, for ourselves so someone else doesn't pretend they're the Tax Commission; however, the agency isn't actively promoting on those sites. Facebook, Instagram, LinkedIn, YouTube, and Twitter (X) are the states generally accepted social media platforms. She also thanked the Commissioners for volunteering to help with the All-Employee meeting and told Commissioner Moyle that filming will occur during the Coeur d'Alene meeting.

Chairman McCray said it's great to hear that there was only one outside complaint. That's the first time since he's started. He also wants to express his thanks for the Tax Library. As he's traveled to the Field Offices or engaged with people supporting the TRU/TPS teams, it was the number one request and he's glad we've finally gotten a resource for people to find the right answers. With respect to the All-Employee meeting, he requests time to present the May Employee of the Month awards. Chairman McCray said there is one for the Coeur d'Alene office, and the rest are in Boise.

#### Lisa Kopke, Financial Executive Officer, Management Services

Ms. Kopke said April 15 is always a busy time of year except for Management Services because they are getting ready for fiscal year end close. There are multiple projects on the Annual Plan, and they have some big items to monitor. One is the executive carry-forward for the imaging project. Her report is a little confusing, so she clarified that purchasing capital assets for fiscal year 2025 are the requested and appropriated capital assets.



Additionally, the imaging project will roll over a couple of times, so will be an executive carry-forward, and they must hit those deadlines.

Last week, most of her management team attended professional development training and the Luma Symposium. She likes the Luma Symposium because it gets all agencies together in one room so they can all talk about Luma-related things. They are still struggling with agencies entering correctly: agencies are taking money out of our coffers, and we need them to put money into the coffers instead. She gave Kudos to her team: Kaia Weiss, Financial Specialist, Senior, Jena Antrim, Financial Specialist, Principal, and Craig Allison, Financial Specialist, Principal who've spent time teaching other agencies how to enter transactions into Luma.

Ms. Kopke reported on the revenue statistics through March, saying the accruals to the general fund are up 1.7%. Most of that comes from individual income tax, but sales tax and corporate income tax are right there, too. The budget is also on track with 24% of the personnel budget remaining. The agency will have a fairly large reversion due to the vacancies and churn.

Management Services has 55 GenTax work orders (SQRs) this fiscal year. That's important because this is the first year they've tracked their SQRs and the process of that they flow to Management Services, and how they flow to Management Services. They'll compare year-over-year how many SQRs there are. Her unit is typically at the end of a project and often gets missed, or they weren't part of the discussion and were missed altogether. "SQRs" are help tickets to get something fixed or adjusted in GenTax. Commissioner Moyle commented that GenTax is our main operating system and the SQRs are basically the improvements that come through things that we see that need to be improved or changed or modified in some way. So, when they say that, it's just basically our way of improving our processes within our main operating system. Ms. Kopke said GenTax is proprietary software for the Tax Commission, specifically. The Tax Commission is the only agency in the state that operates in GenTax, specifically. There's one other agency that has a FAST product, which is Odyssey, but no one else uses GenTax. It's a database to store taxpayer information.

Ms. Kopke said the annual employee picnic will be in July and the employee appreciation luncheon was in March. They are planning Family Day in August. Management Services has two vacancies. She hopes to extend an offer today for one of those positions.

Commissioner Woods was recognized and said he appreciates the work Ms. Kopke and her staff have done to adapt. Any software conversion is challenging, and Luma hasn't disappointed in that regard. In speaking of Luma, he asked if managers can access reports in real-time, daily, or monthly, to see what the budget is and where they stand. Ms. Kopke responded that there are two environments that provide reporting in Luma. One is the production space, or live production data, and any transactions that have been posted can be pulled within minutes of posting. They also have a report space called Cognos. Cognos is essentially a database that provides reporting. It is not real-time. It has a 24- to 48-hour delay, depending on the transaction. For instance, something like payroll to the general ledger for hours worked wouldn't be available until the following Monday even though it hits the general ledger on Friday when everyone is paid. Craig Allison, Financial Specialist, Principal, is hosting training this afternoon to teach division administrators some tips and tricks. During the Luma symposium, a large portion of the training was about reporting. She said she's heard horror stories from other states who've rolled out financial systems and she believes we're "light years" ahead. It's a slow process, and we still have a great deal to learn, but we're getting there.

Chairman McCray commented on the reversion that Ms. Kopke attributed to vacancies. This is an average of an average, so it isn't precise, but our turnover rate is 5% and that's outstanding. He's used to turnover rates in the 20% - 25% range, so even though the reversion is a large number, in his experience, it's been larger. He believes we've shown tremendous effort when it comes to recruiting and retaining talent. He thinks that shows in the turnover numbers. To be clear, every one of those vacancies is in active recruitment. The intention isn't to revert a large amount of money at the end of the fiscal year but to use that for personnel. Basically, this is Kudos

to everyone. He thinks the focus on strategy, our employee engagement survey, and our communication on employee engagement work is paying off, so thank you for that.

Isaac Joyner, Technology and Innovation Bureau Chief

Mr. Joyner began by explaining his group. Technology and Innovation is made up of two software development teams, an IT Operations team, which is deskside support, the Project Management Group, Security and Government Liaison that coordinates all our federal work and memorandums of understanding and a few other things, and Agency Training. Those are the groups that make up the Technology and Innovation Bureau.

Mr. Joyner began by talking about the action items in the report submitted to the Commission. The Windows 11 upgrade is in process. Vonnie Larsen, IT Operations Manager, has spearheaded that effort in collaboration with the Information Technology Services (ITS) Support Group. This project is to upgrade about 300 devices to Windows 11, and it's been moving very well. They're about 60% complete; most work has been done during the third quarter. It's also being done in coordination with new device deployments. There were about 115 new devices that needed to be deployed with two to five in each of the Field Offices and about 100 in the Boise office. They've been able to cross-check those due for the Windows 11 upgrade and the new device list and knock both projects out at the same time. The Operations team has done a great job getting these projects accomplished: the Windows 11 upgrade is at 60% completion and the new device deployment is at 58% complete. They're on track because they don't need to be completed until October. He believes it will be finished by the end of the fourth quarter.

The Safeguards and Security Report (SSR) and the Corrective Action Plan (CAP) are coordinated through the Government Liaison with the Internal Revenue Service (IRS). When the agency receives the notification of federal audit, we generate the SSR which tells them how we protect federal tax information (FTI). We must submit the SSR once per year after the audit. The agency is audited every three years. The CAP is then submitted every six months. It's all an update to what we've done. During this cycle, we'll submit the SSR and CAP after this meeting today. These are the final submissions until the next audit. We won't know when the next audit will occur due to the federal fiscal year, but they'll get it on the calendar and let us know. Then we'll generate a new SSR and CAP. We coordinate all of this with the ITS cybersecurity team with whom we meet regularly.

Mr. Joyner talked about the agency's fiscal year 2026 Annual Plan. They begin working on the Annual Plan in the third quarter for next year. It's how we plan development hours for projects that have been mentioned, required legislative actions, unplanned maintenance, which are break fixes, and planned production maintenance, which are those things we must complete every year to upgrade our system and keep it in working order.

Mr. Joyner discussed the unit's statistics. He said he kept them primarily to just the tax work because we coordinate a considerable amount of work with the FAST contractors. The Tax Developer hours were split evenly with 25% dedicated to legislative projects, and 29% to unplanned production maintenance (UPM). The State Income Tax Levy Program (SITLP) is the federal interception of refunds and was a good project that was started in the third quarter; wine form 1756 changed and was another UPM; and there were a few UPMs for managed payments, which was a huge project. Most of the project work tied to the Annual Plan is complete, and by that, he means that the work they're going to be able to do is almost finished. They will roughly end those projects – the “nice-to-have-improvements” to the system – at about 60% of what he wanted. They have maybe one remaining project, the Examination Operation Automation Database (EOAD), a federal system that tracks results as part of IRS audit activities. The FAST developers are working on that project, and it's in the final testing stages. There is another with reported developer hours, the non-filer estimates for Compliance, but it's unlikely to be completed this fiscal year.

Agency training is another statistic upon which he'd like to report. Ms. Kopke mentioned Luma reporting earlier, and he added a caveat that development and reporting is available, but we may just not yet be trained to use it. They're working on it. They can track total hours, though, and since they can track the total hours, they can break it down to quarters. He reported that the total recorded training hours in Luma is 9,976 hours, up from the

second quarter, which was 7,617. That's an increase of about 2,000 training hours and is significant. Compliance makes up the bulk of the training hours now because in the second quarter, they had 4,068 hours. Quarter three was 4,282. It's a slower climb but they have the hours tracked so far. That's primarily because the main project started with the Compliance Officer 1 training. Revenue Operations is also high in training hours. Mr. Mascall mentioned the different training they're taking, and they've doubled their training tracked through Luma. They had 923 hours in the second quarter, and in quarter three, it's now up to 2,126 hours. Regarding the Technology and Innovation Bureau, it's a new bureau, and they're building out training. The first is a "Welcome to TIB" and new Software Engineer 1 (SE-1) training for their onboarding.

Every quarter, Mr. Joyner holds a Bureau Meeting. The focus is always strategy. New staff are introduced and given permission to ask him any question they want, with the understanding that he may not answer. He then goes into the strategy, revisiting our Mission, Vision, and Values. He talks to them about our critical success factors, then about the action items and the tasks tied to them. He always has two to four people in the Bureau tied to action items in a significant way, and they talk about their projects and some of the work they're doing. He said they re-emphasize that every quarter, so the new people get introduced to strategy and everyone else gains understanding. This last quarter, they invited a guest speaker, Jeremiah Edwards, Compliance Program Specialist, to talk about their day-to-day. It was positively received, so he'll likely do that more going forward. The developers and project management group especially enjoyed hearing how the work they're doing impacts the different business units.

As a reminder, the Project Management Office (PMO), led by Colby Cushman, Project Manager II, continues to update the Tax Commission internal share point site, where agency staff can find all projects and their stages of completion. Major projects accomplished in the quarter include Pay-It, and the Idaho Transportation Department (ITD) Tax flag. Pay-It shows in the second quarter and third quarter because it was implemented toward the end of the second quarter and in production, validated, and finalized in the third quarter. The Tax IT Ops team completed 180 system access requests (SARs) this quarter. That's an increase of about 40 for this cycle. As mentioned earlier, they've also been working on the Windows 11 upgrades, new device deployments, and the normal things they do every day. The combined developer team hours, which include Tax Commission and FAST developers, closed 201 work orders (SQRs) during the last quarter; 86 work orders were planned production maintenance (PPM), and 58 were UPM. That's down from last quarter when they closed 229 work orders. They are planning for legislative items like House Bills 93 and 144 and others that touch tax in some way, the PCM imaging project, and the Core 21 upgrade. They are very busy.

Mr. Joyner said he technically has, between the third and fourth quarters, one SE-1 vacancy. He says technically because they've extended an offer, and he expects that person to start within a couple of weeks. They've also hired Tom Hess as an SE-1 and they had one departure, Toby Comõn.

Chairman McCray noted Mr. Joyner talked about publishing the annual plan and the Bureau's work on the internal share point site Tax Insider. He asked if Mr. Joyner has received any feedback from other groups in the Agency regarding that. Mr. Joyner said he's not heard any and hasn't requested it. He will ask. Chairman said he's just curious. He watches the comments as postings come up. He appreciates that the information is available and as people learn where to find information and to keep track of the projects that are important to them, he believes it will be a good resource. Please continue to promote that amongst your groups. If they have questions, they can go there first. Mr. Joyner said everything they do, the where and why, is there. Commissioner Moyle was recognized and thanked Mr. Joyner. He's developed a new group and it's been wonderful. She wishes we could bring the ITS people back but understands that won't happen. She talked about the Windows 11 upgrade with the new devices and noted her new computer doesn't have a touch screen. Mr. Joyner said they've begun adding touch screens back into the orders. Commissioner Moyle said even the slightest changes make a big difference. She said she's impressed with the flow and that everyday work keeps getting completed faster. She thanked him for all the work he's done.

Rhamona Grabenstein, Human Resource Officer

Ms. Grabenstein reported that Mr. Sailor was correct when he said there are 29 Information Technology (IT) positions at the Tax Commission effected by the 4.5% pay increase. She thanked the Division of Human Resources (DHR) and the Division of Financial Management (DFM) partners because there was very little wiggle room in the CEC plan this year, and they provided some reports that helped guide the process.

The Tax Commission vacancy rate, or the number of positions that are steadily open at any given time, runs consistently at about 5%. The fiscal year to date turnover rate is 12.7%. This is due to many promotions from within. There are 20 vacant positions right now and she thanked the managers for trying to move all the recruitment actions along. Sometimes they need assistance, and she recently attended a Lewis and Clark State College job fair in Lewiston to generate a qualified applicant pool for the open position in the Lewiston Field Office. There were 13 applicants, and she's unsure how many can be attributed to the school, but she's hoping to find someone to fill the vacancy in the Lewiston office. They're also trying to get the word out about what types of jobs are available at the Tax Commission. She appreciates the Taxpayer Resource Unit (TRU) because they've been helping this effort by filming current staff in Revenue Operations and Compliance to create some recruitment videos that are now posted on the employment page of our website at [tax.idaho.gov](http://tax.idaho.gov). She looks forward to working with other divisions. House Bill 268 passed this year and affects the Bureau Chief level employees who are considered executive exempt employees under the Fair Labor Standards Act (FLSA). Those employees have traditionally been considered classified. Through this house bill, they will now be non-classified status.

The week of May 5 is recognized as Employee Appreciation Week. She offered Kudos to Lisa Kopke for working with the Events Committee to put together a fantastic way to recognize Tax Commission employees through the "Spud-tastic" Employee event. The Tax Commission tries to hold a separate event for employees here so that it isn't lost with what the Governor's office does. She noted that May 7 will be the Idaho State Employee Appreciation Day.

Under General HR Updates, open enrollment is now active. Please remind employees that this is the time they can make any changes to their benefit choices without a qualifying life event. If they want a flexible spending account, they must re-enroll every year. If they're not making any changes, they don't need to do anything. The next statewide employee engagement survey is tentatively scheduled for June 23 through July 18. Once she receives more information, she will share it. The efforts of this agency toward improving employee engagement are wonderful and she suspects Tax employees will remember all the great things we've done throughout the year. Training is a huge part of how we drive our strategy and our goals. The agency is committed to putting seven individuals through the Certified Public Manager (CPM) program offered by the state. It is a two-year commitment and a significant amount of money. Two employees left the agency during the program, both to better positions, but five are scheduled to graduate this summer. Commissioner Moyle was recognized and said they are presenting their capstone projects on May 1. Ms. Grabenstein said four are presenting their projects on May 1, one is presenting their project on May 8. She will be scheduling them all to present to the Operations Leadership Team (OLT) and Commissioners.

The Tax Leadership Series is another way to make sure that we create the right environment for our employees. She gets great support from managers and supervisors in getting the leaders of the organization through that series. She has a current group in Boise that should finish in May. Then she will deliver the Tax Leadership Series in Eastern Idaho on May 7 and May 21. Once they graduate from the Tax Leadership Series, leaders are invited to come to a Focus on Leadership every other month. Leaders deliver that; they define the topic and what they want. Amber Ortiz and Greg Busmann will be leading the next Focus on Leadership on May 15. We've also invested in a continuing Hire to Retire, which is about anything that can happen with an employee. Leaders are invited to attend, and she picks different topics on how to manage and deal with employee issues. She was fortunate to have some budget money to bring in outside trainers, which she thinks has been very well received. Connie Miller, the author of [Don't Sabotage Your Career](#) is coming in to deliver a class. She was previously the Chief Executive Officer (CEO) of ICON credit unions. They've become Horizon Credit Union, and Ms. Miller retired. She'll be speaking to our leaders in May and was asked to focus on building effectiveness

and efficiencies in meetings. In June, Ms. Grabenstein is meeting with someone who will talk about operational excellence and refocus on how important operational excellence is.

Also in training, they don't forget that safety is absolutely an important aspect. Zak Viker, Technical Training Program Specialist, also manages the agency's evacuation plan. He has Floor Warden training scheduled for May 19 and he's working with each group, including Stairwell Support, and Emergency Coordinators, to provide refresher and reminder training. She said the All-Employee Meeting will be filmed in Coeur d'Alene because we have a responsibility for those who telecommute full-time due to an accommodation for a disability to participate in those meetings. This gives them an opportunity to do that. She thanked the team for making it possible.

Chairman McCray asked if the issue of cost for DHR training has been resolved. Ms. Grabenstein said the cost of the Crucial Learning series, an amazing learning series, is increasing because the cost of the materials has increased. They are reevaluating whether they will increase fees or charge for the trainer's time, based on feedback DHR received from Human Resource Officers in the field, but they haven't decided; it would raise costs to the agencies.

#### Aaron Yost, Governmental Affairs Officer

Philip Johnson, Tax Research Specialist in the Government Affairs office, presented on behalf of Mr. Yost, who is attending the Multistate Tax Commission (MTC) Spring Meeting in Spokane, WA.

Mr. Johnson reported that this was a very busy legislative season. The 68<sup>th</sup> session of the Idaho Legislature began January 6, and ended, sine die, April 4. This year, there were 708 bills introduced, which is a 10% increase over last year. One hundred and nine bills were tracked with potential impact to the Idaho State Tax Commission, a 45% increase over last year. There were 342 bills enacted into law, for a 3% increase over last year. Forty-nine bills, a 40% increase, impacted the Tax Commission. Of the 49 with an impact to the Tax Commission, Government Affairs could not have managed this without the assistance of all the divisions sitting in and taking responsibility for the bills to ensure the impact on the Tax Commission is written up, taken care of, and followed through. Some highlights of the session include House Bill 3, the Conformity Bill for Idaho to conform with the Internal Revenue Service (IRS), which was the first bill signed this session. House Bill 93, the Idaho Parental Choice Tax Credit involves many people in the agency. The Technology and Innovation Bureau and the Revenue Operations Division will both be extremely busy with House Bill 93. House Bill 479 was the taxation trailer bill for the tax rate on previous years' military pensions. There were four budget bills passed and the rules packets for the Tax Commission which included motor fuels, and cigarettes and tobacco. Mr. Johnson said he will be presenting the negotiated rulemaking for Sales and Use Tax and the Hotel-Motel-Campground Sales Tax to the public on June 4.

Mr. Yost will attend the Idaho Society of Certified Public Accountants (ISCPA) Annual Meeting on June 24, and the MTC Annual Summer Meeting in Salt Lake City, UT July 21 – 24.

#### **Report on Rules Committees**

Chairman McCray asked Mr. Johnson to report for the Rules Committees and if he could provide an overview of the timeline and what will happen on June 4 with the Sales and Use Tax rulemaking. Mr. Johnson said the rules will be presented to the public on June 4. They will be presented as they stand and within two to three weeks of that meeting, the public will receive the changes the Tax Commission has made. The public then has an opportunity to respond, and Mr. Johnson said he expects to have two to three meetings because it's Sales and Use Tax. People have a hard time understanding these rules, so if they remove something from the rule, or something has changed, he's sure there will be public comment from some of the industries. Chairman McCray clarified that the June 4 meeting is to receive input from the public on the changes they'd like to see to the rules as they currently stand. Changes will be incorporated into recommended changes and then be published for the additional negotiated rulemaking process. He also clarified that Mr. Johnson anticipates multiple meetings

because the chapter is significant and impacts a large part of the taxpayer population. Therefore, they want to ensure there is ample time and opportunity for input. Mr. Johnson agreed.

Chairman McCray said no one commented on the change management training. We just completed an initial introduction to change management. His straw polling, in talking to those who participated, it was well received. The Prosci material has been accepted as the process we'll use going forward. He believes this is critical to our success in achieving our strategic plan. As he's evaluated the employee engagement surveys, and our criticism around communication, and how we go about getting projects accomplished, having a systematic approach to how we introduce change, whether through a formal project or any type of change within the organization, we have room for improvement. It comes down to letting people know why the change is being made, why it's important to the agency, why it's important to them, how it impacts their jobs, and how it impacts them personally. We move forward with changes with assumptions of understanding. The change management process will give us tools to systematically approach how we communicate those questions and get feedback. Is the message being received and do people understand the need for the change? He's very glad the training is completed. He said this impacts every division in this agency. It provides skills that can be applied every day to the work that goes on in every division. We want to continue that focus. It ties directly to our strategic plan and being successful in meeting our critical success factors.

He further commented on Mr. Sailor's earlier statements regarding the changes that were announced on Monday. We didn't get to the moon by taking small steps. He believes we're making progress, and sometimes, it's good to make bold changes, so when Mr. Sailor was given the opportunity, after discussions about how to create an organization that can be adaptive and resilient, these were some ways to offer opportunities for others within the organization to rise to the surface and show what they can do. It also provides the opportunity for cross-training and development. He firmly believes in developing our people and providing them opportunities to grow. This allows them to stretch outside their comfort zone, learn new things, and give some of the other high performers within the organization an opportunity to rise into new challenges. It's always healthy, though it might come as a bit of a shock. He knows this group well enough to know that we do improvise, adapt, and overcome and he thinks we'll be healthier for it. He looks forward to everyone's support in those endeavors and in giving Mr. Sailor all our support as our new Chief Operating Officer.

There was no further business to come before the Commission. Chairman McCray asked for any public comment.

### **Public Comment**

Gil Arouxet, Lead Representative with the Western States Regional Council of Carpenters, said this is a great team here and everyone articulated their messages very well. It's a privilege to be here as a guest and hearing everything. He thanked Commission Moyle for getting clarification on the acronyms.

As an organization that represents carpenters, they're the weird organization that loves taxes as much as everyone here. Taxes provide public services to a community. Some of those services are fire stations, roads, and schools. The work everyone in this room does is important. Significant money is being captured back, and you have a good leader moving forward. Mr. Arouxet said there is tax fraud in the construction industry. As one of the bigger industries, they see it most. He is bilingual and comes across workers that come to him to say they're misclassified because they are 1099 employees. He wants to make connections and work with the Tax Commission to help capture those because, as carpenters, they want to build. Those taxes and the revenue help to build the services that build the community wealth. Their signatory contractors, the symbiotic relationship with the union, as well as their members, create the community wealth. Their contractors already have full family medical and pensions and great livable wages. But they aren't capturing any of the public works projects because they're seeing misclassifications. They want to work with the Tax Commission and say thank you for what you do. They look forward to coming to more of these meetings.

Chairman McCray thanked Mr. Arouxet for taking the time to be at this meeting, for speaking, and for being a part of the public process. These meetings don't get much attention, but he's more than welcome to attend anytime. Mr. Brown was recognized and said he appreciates them for coming and asked that they spread the word to other trade organizations. He's been with this agency for 14 years, and he's not seen anyone not involved in the tax community attend one of these meetings.

Mr. Arouxet thanked Mr. Brown for the comment and said that he can't speak for the other trades, but for the carpenters, they will encourage other business agents to attend. He believes the carpenters see tax fraud in their scopes of work. He can't speak to the licensed trades but feels they might not have as much of that going on in their organizations because of the licensure. He will encourage other unions to be involved.

### **Executive Session**

Commissioner Woods moved to go into Executive Session with legal counsel pursuant to Idaho Code § 74-206(1)(f) to discuss the status of litigation to which the Commission is a party. Maria Young, Management Assistant, conducted a roll call vote. Commissioner Woods, Commissioner Moyle, and Chairman McCray all voted in favor and the motion passed.

*The Commission recessed for ten minutes.*

Chairman McCray reconvened the open public business meeting.

### **Public Session**

Chairman McCray reconvened the public session. The Commission met in Executive Session with its legal counsel pursuant to Idaho Code § 74-206(1)(f) to discuss the current status of litigation to which the Commission is a party. No matters requiring a vote of the Commission resulted from the Executive Session.

Chairman McCray said he is very sorry to see our Lead Deputy Attorney General, Elisa Magnuson, and Deputy Attorney General Brett Jarvis, leave the agency. He wishes them all the best and understands the reasons for making the change. They will be sorely missed and hard to replace, but he wishes them both the best and thanks them for their service.

There was no further business and no public comment. Chairman McCray noted the next Tax Commission business meeting will be on July 22, 2025. Chairman McCray adjourned the meeting.

Maria Young, Secretary

Jeff McCray, Chairman