

**STATE BOARD OF EQUALIZATION
OPEN MEETING
MINUTES OF MEETING HELD AUGUST 10, 2021**

In attendance: Commissioners Tom Katsilometes, Jeff McCray, Elliot S. Werk, and Janet Moyle; Maria Young, Phil Skinner, George Brown, Alan Dornfest.

Commissioner Katsilometes, Chairman for the State Board of Equalization, reconvened the State Board of Equalization for 2021 (Board) at 9:00 a.m. August 10, 2021.

BUSINESS REQUIRING A VOTE OF THE BOARD

Approve amended agenda: Ratio Study and Agricultural Land Compliance Report were moved from August 10 to August 18 and will be presented at the same time as the Value Comparison report by Alan Dornfest, Property Tax Policy Bureau Chief.

Commissioner Werk motioned to approve the amended agenda. Commissioner Moyle seconded the motion. There was no discussion, and all members voted in favor of the agenda amendment.

Commissioner Katsilometes recognized Alan Dornfest, Property Tax Policy Bureau Chief to present the Preliminary Value Comparison Report. Mr. Dornfest reported that requests were sent to Consulting Appraisers to review categories that had unusual changes. Mr. Dornfest acknowledged an error in one category due to incorrect data entry and it has been fixed. Many responses have already returned. Consulting Appraisers are not normally asked to review small-dollar changes. They generally look at percentages but also look at the few-million-dollar changes. Keep in mind that they are discussing a \$200 billion tax base, so they only really look at those numbers for any possible error that will significantly impact the equalization. If there are some that are smaller and the Board wishes, he will ask the Consulting Appraisers to review those. Mr. Dornfest has asked for all responses from the counties be received at the Tax Commission no later than August 13, 2021 so the numbers can be reviewed and disseminated to the Board.

Commissioner Werk observed there is one county that has a 0% change, and one county has decreased by \$6 million and that doesn't seem possible in this environment. Mr. Dornfest said he has not seen that. He agreed that it did not seem right, so he will review those counties and report back to the Board next week. Commissioner Werk also noted that Clark County shows an overall 3% increase. It is a very small county, as is Latah County which also shows an overall 3% increase; that seems significant. Mr. Dornfest said those changes in the smaller counties are likely due to agricultural land values which make up over 50% of the total tax base in Clark County. He will review those counties. He primarily wants to ensure Tax Commission staff didn't make errors, but he will also ask the Consulting Appraisers to review their totals.

Commissioner Katsilometes asked what "other land" refers to in this report. Mr. Dornfest said it refers to other rural land not associated with farming. He said counties sometimes transfer things from one category to another. He said it should not be grazing land, it should be homesites that aren't in subdivisions or in tracts. It could even be other associated land; each county defines it differently. In some counties it is residential, in others it is not, but it should not be associated with farms.

Commissioner Katsilometes asked about a category for one county that was increased 300,000% in manufactured housing. He's curious why that would happen. Mr. Dornfest said he will check it. Commissioner Moyle said it could be reflective of the county realizing they had been using a category incorrectly and have decided to correct everything into the correct categories. There are several things that could explain something like that.

Mr. Dornfest asked the Board to email any further concerns to him and he will follow up with the respective county for a response before August 18, 2021. Commissioner Moyle said she has already emailed Mr. Dornfest and thanked him for his response.

There being no further business, Commissioner Katsilometes recessed the Board until 9:00 a.m. on Wednesday August 11, 2021.

Maria Young
Secretary

Tom Katsilometes
Chairman of the Idaho State Board of Equalization