

**IDAHO STATE BOARD OF EQUALIZATION
OPEN MEETING
MINUTES OF MEETING HELD AUGUST 11, 2025**

In attendance: Commissioners Paul Woods, Jeff McCray, Janet Moyle, and Jared Zwygart. Nathan Nielson, Tax Commission Lead Deputy Attorney General, Christina Nelson, Deputy Attorney General, and Maria Young, Tax Commission Management Assistant. This meeting was open to the public and many guests attended online.

Commissioner Woods, the Chairman for the State Board of Equalization, convened the State Board of Equalization for 2025 (Board). Commissioner Woods said Idaho Code Section 63-108 and 63-405 require the Idaho State Tax Commission to convene as the Idaho State Board of Equalization on the second Monday in August. The Board is now in session.

Procedural briefing for the 2025 Board of Equalization

Commissioner Woods reviewed procedures for the 2025 Board of Equalization saying the Board notice and agenda were published. Alan Dornfest, of the Idaho State Tax Commission will provide information on ratio follow-up studies and the Railroad Revitalization and Regulatory Reform (4-R) Act. The Board will then hear information on the agricultural land compliance report and the category value comparisons.

The Board of Equalization has again asked County Assessors to report on issues that may be related to compliance, or the ratio studies, or just items in general. The final day will be August 25, 2025. The schedule is full the first week of the 11th through the 15th, but there aren't any issues scheduled before the Board August 18 – 22. The Board may amend the agenda and most of the business will be conducted in the first week, with the final meeting date August 25.

Commissioner Woods asked Nathan Nielson, the Lead Deputy Attorney General assigned to the Tax Commission to provide a briefing on the status of appeals for PacifiCorp and the stipulated appeals. Mr. Nielson said this year the Tax Commission received a request for an assessment hearing on PacifiCorp. They've asked for a review of the following issues: Net operating income utilizing the income approach, cost of capital, obsolescence in the cost approach, and the correlation of the cost approach and the income approach. PacifiCorp is represented by David Crapo, who has appeared before the Board before. He expects Matt Paz, the Tax Director, to act as witness for PacifiCorp. Tax Commission staff will be represented by Matthew Shriver, Tax Commission Deputy Attorney General, with Shyanne Massie, Tax Commission Appraiser, and Jerott Rudd, Tax Commission Operating Property Bureau Chief, as witnesses for the state. The hearing is scheduled for the afternoon of August 12, 2025, with deliberations scheduled for Wednesday. Additionally, the Tax Commission received requests for hearings from 27 non-utility generators. These are the Hydroelectric Power Generating companies that have appeared before. There is a new Hydroelectric facility appearing before the Board for the first time this year and that's Amy Hydro. These companies have all agreed to stipulate the values being presented to the Board. They've stipulated to obtain an appealable decision in lieu of a hearing. With the stipulation, there is no hearing scheduled for these petitioners.

Alan Dornfest, Property Tax Policy Bureau Chief, presented the follow-up ratio studies and the Railroad Revitalization and Regulatory Reform (4-R) Act study. Mr. Dornfest noted the Board received the report dated August 7, 2025. There were five different categories in five different counties out of compliance with the Rule 131 standards in March 2025. The counties were notified, and follow-

up studies were conducted to determine whether the counties were back in compliance, and they were, in every case. He worked with the Consulting Appraisers who provided follow-up studies and reports and are summarized in that August 7 report. Today he reports that all the original categories are back in compliance with Rule 131 standards.

Mr. Dornfest provided a report on July 15, 2025, on recommendations for adjustments to achieve compliance with the 4-R Act requirements and the Idaho Supreme Court's directive concerning uniformity. These directives and requirements require that commercial and industrial property within each area served by different operating property companies, that the level of assessment of commercial and industrial property be no less than 95%. If it is less than 95% of market value, then an adjustment is warranted. In the report, they show results for 56 different analysis areas. The reason for so many is that some companies are only in one county, and some are in many. The 56 different analysis areas were necessary to encompass all the possible county combinations reflected by the company overlapping areas. In the report, they made recommendations, and, in many cases, there is no recommendation because the results were within that 5% tolerance range and in others, there were recommendations for lowering the value of the operating property affected.

Mr. Dornfest said that attached to the August 7 report on the follow-up ratio studies referred to earlier, there is an addendum about agricultural land categories completed by the Consulting Appraiser Brad Broenneke and questions can be directed to him. Page six of the report summarizes the results for the agricultural land categories that were originally found to be out of compliance. There were two cases, one in Bear Lake County and one in Cassia County. Based on the subsequent analysis, they've been restored to compliance. Mr. Dornfest deferred to Mr. Broenneke who is available online.

Mr. Dornfest presented the category comparison report. He said they prepare this every year comparing categories by county in what they call the abstracts of value. The information was sent last week for the Commissioner's review. They also sent the compiled category comparisons compiled within each county to each of the Consulting Appraisers for their review and if required, they can provide explanations. In summary, statewide, values went up by 8% overall and that's net taxable value. The most remarkable change, in his opinion, was in Category 66 in Shoshone County, which is net profits in mines which went up by over 2,000%, from \$2 million to \$57 million. He spoke with a geologist with the University of Idaho, who indicated that silver is very high right now and may have accounted for the change. The Assessor from Shoshone County may be able to offer more insight. He added that they don't have a complete review, and he again defers to Mr. Broenneke for comment, but this year, the abstracts, although all received now, came in quite late. The due date is the fourth Monday of July, but many counties had to wait until then or later because of the new law allowing certain fire and ambulance districts to withdraw from urban renewal funding. The date for withdrawal was also the fourth Monday in July, so counties were on hold until they knew whether fire districts and ambulance districts were going to be in or out. Much of the data coming in from the counties was late this year. It's no fault of the counties, just part of the process.

Mr. Dornfest acknowledged Ben Seloske, Senior Research Analyst in the Property Tax Policy Bureau, who compiled everything for these reports, and the staff in the Technology Support Bureau who enabled those abstracts to be received in the first place so Mr. Dornfest's team could do their work. Commissioner Woods asked Mr. Dornfest to update the Board by August 25 if there is new or additional information. Mr. Dornfest said he will.

Commissioner Woods invited the individual assessors from around the state to help the Board understand what is happening in their counties and any issues they'd like to share. He asked the

Consulting Appraisers that work with each district to provide a brief introduction and then each county will present in each district. The first is Ben Hawkins, District 1, which encompasses most of North Idaho, including Boundary, Bonner, Shoshone, Benewah, Clearwater, Lewis, and Idaho counties. He said in District 1 they had a great year. All the District 1 counties were in compliance, and appeals were down. There were no major incidents or natural disasters that affected them. Mr. Hawkins will present Assessor Nuxoll's report for Idaho County. The Board heard the District 1 Assessor reports beginning with Donna Spier, Benewah County, Assessor Dennis Englehardt, Bonner County, Assessor Olivia Drake, Boundary County, Assessor Susan Spencer, Clearwater County, Consulting Appraiser Ben Hawkins on behalf of Assessor Kim Nuxoll, Idaho County, Assessor Jerry White, Shoshone County, Assessor Joann Watson, Lewis County.

Commissioner Woods addressed the software concerns, saying the Tax Commission is working on a budget request through the state to purchase a software system. It would need to be approved by the legislature, and there won't be a response until after the legislature convenes in January, but the timeline, if it's approved, would authorize the expenditure in July 2026. The state is working with Ada County to create the requests for proposal, but it won't be ready until the fall 2026 or winter 2027. It will take several years to roll into the counties. While nothing is guaranteed, the state is working on the procurement process.

The Board recessed for ten minutes and reconvened at 10:30 a.m. MDT.

Commissioner Woods reconvened the Board and heard the District 2 Assessor reports beginning with the Consulting Appraiser for District 2, Brad Broenneke. Mr. Broenneke provided a regional update, saying the district encompasses Kootenai County, Latah County, and Nez Perce County. He said none had any categories out of compliance this year. All three counties attended available training this year and there was nothing out of the ordinary in any of these counties. The Board heard reports from Assessor Bela Kovacs, Kootenai County, Assessor David Sutherland, Latah County, Assessor Dan Anderson, Nez Perce County.

The Board heard District 3 Assessor Reports and Commissioner Woods asked Consulting Appraiser Sam Stone to provide an update for the counties that make up District 3, adding that Assessor Rebecca Arnold, Ada County, is not available until after 1:00 p.m. MDT. Mr. Stone highlighted that the counties of District 3 are Adams County, Washington County, Payette County, Gem County, Canyon County, Ada County, and Owyhee County. He said as he prepared for this meeting, the same word kept coming up, and that is "transition." Three of the seven Assessors will not seek reelection at the end of their terms, and some senior members in other counties are retiring. He's also helping counties that aren't contracting appraisers and trying to do things in-house for the first time. Every county continues to streamline the work in their offices. He reported that Adams County, Payette County, and Gem County cannot be available today. He will present reports for those counties. Consulting Appraiser Sam Stone presented on behalf of Assessor Stacy Swift, Adams County, Assessor Brian Stender, Canyon County.

Commissioner Woods recessed the Board until 1:30 p.m. MDT.

Commissioner Woods reconvened the Board and heard the remainder of the District 3 Assessor reports, and Mr. Stone presented on behalf of Assessor Hollie Ann Strang, Gem County, Assessor Tiffany Nettleton, Owyhee County, Mr. Stone presented on behalf of Assessor Sandy Clason, Payette County, Assessor Debbie Moxly-Potter, Washington County, Assessor Rebecca Arnold, and Erin Brady, Appraisal Division Manager, Ada County.

District 4 Assessor Reports began with a report of the District by Consulting Appraiser Shaunna Roeber. Ms. Roeber noted the District is made up of Boise County, Camas County, Custer County, Elmore County, Lemhi County, and Valley County. She said it's been a quiet year this year with all counties in compliance. Ms. Roeber reported that Valley County and Custer County are not available to provide their reports, and she will provide reports on their behalf. The Board heard reports from Assessor Chris Juszczak, Boise County, Ms. Roeber presented on behalf of Assessor Jacquell Bruno, Custer County, Assessor Josh Dison, Elmore County, Assessor Lynn McGuire, Camas County, Ms. Roeber presented on behalf of Assessor Sue Leeper, Valley County, and Assessor Jenny Rosin, Lemhi County.

Commissioner Woods recessed the Board until 9:00 a.m. on Tuesday, August 12, 2025.

Maria Young
Secretary

Paul Woods
Chairman of the Idaho State Board of Equalization