

**IDAHO STATE BOARD OF EQUALIZATION
OPEN MEETING
MINUTES OF MEETING HELD AUGUST 18, 2017**

In attendance: Commissioners Tom Katsilometes, Ken A. Roberts, Rich W. Jackson, and Elliot S. Werk; Kelly Martinez, Jerott Rudd, Rick Anderson, Steve Fiscus, Alan Dornfest, Phil Skinner, and Erick Shaner.

Commissioner Tom Katsilometes, the Chairman for the State Board of Equalization, reconvened the State Board of Equalization for 2017 (Board) pursuant to Idaho State Board of Equalization's notice and agenda on Friday, August 18, 2017, at 10:00 a.m. (MDT). The Idaho State Board of Equalization is now reconvened.

Present Recommendation on the Railroad Revitalization and Regulatory Reform Act ("4R Act") Report

For the second order of business, Chairman Katsilometes recognized Mr. Alan Dornfest, Property Tax Bureau Chief to present the report. Mr. Dornfest opened with the explanation that the report stems from the federal 4R Act of 1976. The Federal "4R Act" prohibits assessment discrimination against railroads, defining discrimination as occurring if the level of assessment of commercial and industrial property is more than 5% below the level of assessment of a railroad. He noted that the federal law provides different compliance standards from those used to determine if locally assessed values are acceptably close to market value. In several cases, the level of assessment calculated from these studies was statistically less than 95%. It was therefore recommended that railroad assessments be lowered to comply with the 4R Act by reducing the difference in assessment levels below the 5% threshold. Commissioner Jackson moved to adopt the adjustments presented in the Railroad Revitalization and Regulatory Reform Act Report. Commissioner Roberts seconded the motion and all voted in the affirmative. The motion passed.

Present Decisions and Deliberations

The third order of business was to enter into the record the State Board of Equalization findings and decisions regarding the appeals of Sorenson Engineering, Docket No. 0-140-740-608. Commissioner Werk moved to approve the Sorenson Engineering decision to uphold the appraisal and Commissioner Roberts seconded the motion. Commissioner Werk said during the hearing the appellant made the claim that they were not adequately communicated with. In further discussion with staff, Commissioner Werk has been disabused of that notion and he appreciates the outreach that staff in Property Tax have done. All voted in the affirmative and the motion passed.

Present Centrally Assessed Values

The fourth order of business was to consider a report from Jerott Rudd, Property Tax Bureau Chief, regarding the 2017 Operating Property Rolls. Commissioner Katsilometes turned the floor over to Mr. Rudd who presented the Centrally Assessed Values, noting the Operating

Property two-year comparison by county and taxable value comparison, with a total of \$6,237,162,185 and apportioned values dispersed to the counties. Mr. Rudd also reviewed the Taxable Value Comparison report showing a grand total of Operating Property of \$6,244,900,487, less the amount to be taxed for the Public School Fund (\$7,738,302), leaving the total for Operating Property apportioned to the counties.

Commissioner Roberts moved to adopt the 2017 Operating Property Roll as follows: the grand total for Operating Property of \$6,244,900,487 less the value for Public School Fund of \$7,738,302 for a net Operating Property apportioned to the counties of \$6,237,162,185. Commissioner Werk seconded the motion. There were no questions or discussion. Everyone voted in the affirmative and the motion passed.

Present Irrigation Exemption

The fifth order of business was to consider a report from Jerott Rudd regarding the 2017 Irrigation Exemption. Commissioner Katsilometes turned the floor over to Mr. Rudd who presented the proposal on the 2017 Irrigation Exemption Roll reported at a total value of \$357,818,263. Mr. Rudd discussed the exemption for the cost of irrigation and drainage and 2017 Irrigation Exemption. Discussion followed. Commissioner Werk moved to adopt the Irrigation Exemption Roll as follows: Idaho Power \$247,055,446; PacifiCorp \$110,311,157; Avista \$366,678; Intermountain Gas \$36,157; Lucky Peak Hydroelectric Project \$48,824; for a total 2017 Irrigation Exemption of \$357,818,263. Commissioner Jackson seconded the motion. There were no questions or discussion. Everyone voted in the affirmative and the motion passed.

Present and Equalize County Assessments and Abstracts Recommendations

The sixth order of business is to consider a report from Alan Dornfest, Property Tax Bureau Chief, on the statewide report of the County Property Categories. Mr. Dornfest reported on the statewide 2017 County Property Categories for which assessments have been tested with ratio studies and responded to the Commissioners' questions regarding county values.

The next order of business is to consider a report from Alan Dornfest, Property Tax Bureau Chief, on the equalization and adoption of the statewide County Property Roll Abstracts. Mr. Dornfest discussed the report of the county abstracts and responded to the Commissioners' questions. Mr. Dornfest recommended approval of the statewide 2017 County Property Roll Abstracts. Discussion followed.

Commissioner Katsilometes sought a motion to adopt the report as presented on the amended abstracts of the statewide 2017 County Roll Abstracts as the findings of the State Board of Equalization. Commissioner Jackson moved to adopt the amended abstracts of the statewide 2017 County Roll Abstracts as presented, and Commissioner Werk seconded. All voted in the affirmative and the motion passed.

Other Business

There was no other business or questions.

Adjourn Board

Commissioner Katsilometes considered a motion for adjournment, having considered all of the business to come before the 2017 Board of Equalization. Commissioner Jackson moved to adjourn the 2017 State Board of Equalization. Commissioner Werk seconded the motion. All voted in the affirmative and the 2017 State Board of Equalization stood adjourned.

Kelly Martinez
Secretary

Tom Katsilometes
Chairman of the Idaho State Board of Equalization