

**STATE BOARD OF EQUALIZATION
OPEN MEETING
MINUTES OF MEETING HELD AUGUST 25, 2023**

In attendance: Commissioners Tom Katsilometes, Jeff McCray, Janet Moyle, and Jared Zwygart; Maria Young, Phil Skinner, George Brown. Brian Stender, Canyon County Assessor, and Paul Woods, Tax Commission appointee.

Commissioner Katsilometes, Chairman for the State Board of Equalization, reconvened the State Board of Equalization for 2023 (Board) at 9:00 a.m. August 25, 2023.

Action Items:

The Board considered the presentation and approval of the decision for Syringa Networks, LLC. **Commissioner McCray moved to adopt the draft decision finding that Syringa’s aerial cable is eligible to be included for the personal property exemption thereby reducing staff’s recommended value of \$76,857,281 by the full \$8,000,000 personal property exemption, arriving at the Idaho taxable value of \$68,857,281 and then reducing that value by the 4R Act reduction of 14.65 percent setting the final Idaho taxable value at \$58,769,689. Commissioner Zwygart seconded the motion. All commissioners voted aye, and the motion was approved.**

The Board considered the decisions for the **non-utility generators (NUGs) receiving the 4-R Act reduction**. These are only those receiving the reduction. **Each docket number was motioned individually, as indicated below. All commissioners voted aye, and the motions were approved.**

Docket Number	Appellant	Appraised Property Assessment Value	4-R Act Reduction	Final Value	Motion
2-094-932-992	AJMS, LLC	\$1,560,000	36.04%	\$997,776	Moyle
0-048-112-640	BARBER DAM HYDRO	\$749,000	12.01%	\$659,045	Zwygart
2-123-113-472	BC HYDRO LP	\$324,000	14.68%	\$276,437	McCray
0-243-344-384	DIETRICH DROP HYDRO	\$2,256,000	36.04%	\$1,442,938	Moyle
0-175-711-232	LATERAL 10 VENTURE	\$1,037,000	14.68%	\$884,768	Zwygart
1-238-967-296	LITTLE WOOD RIVER RANCH II	\$659,000	36.04%	\$421,496	McCray
0-634-921-984	LITTLEWOOD HYDRO PROJECT	\$621,000	19.90%	\$497,421	Moyle
1-660-756-992	LOWLINE RAPIDS LLC	\$1,072,000	14.68%	\$914,630	Zwygart
0-702-096-384	MAGIC RESERVOIR HYDRO INC	\$1,687,000	19.90%	\$1,351,287	McCray
0-219-554-816	MC6 HYDRO	\$1,367,000	12.01%	\$1,202,823	Moyle
1-775-838-208	MIDWAY POWER LLC	\$857,000	14.68%	\$731,192	Zwygart
1-249-453-056	NORTH GOODING MAIN	\$1,071,000	36.04%	\$685,012	McCray
0-269-886-464	PIGEON COVE POWER, LLC	\$1,215,000	14.68%	\$1,036,638	Moyle
1-147-282-432	RIVERSIDE HYDRO LLC	\$874,000	12.01%	\$769,033	Zwygart
1-677-796-352	ROCK CREEK II	\$898,000	14.68%	\$766,174	McCray
1-079-583-744	ROCK CREEK JOINT VENTURE	\$1,636,000	14.68%	\$1,395,835	Moyle

0-335-619-072	SAGEBRUSH HYDRO PLANT	\$220,000	36.04%	\$140,712	Zwygart
0-542-712-832	SHOSHONE HYDRO PROJECT	\$496,000	36.04%	\$317,242	McCray

The Board considered the decisions for the **non-utility generators (NUGs) not receiving the 4-R Act reduction**. These are only those **for whom no reduction applies**. Each docket number was **motioned individually, as indicated below**. All commissioners voted **aye**, and the motions were **approved**.

Docket Number	Appellant	Appraised Property Assessment Value	Final Value	Motion
1-713-775-616	BELL MOUNTAIN HYDRO	\$192,000	\$192,000	Moyle
1-929-585-664	BIRCH CREEK HYDRO	\$3,187,000	\$3,187,000	Zwygart
2-082-350-080	BLACK CANYON HYDRO	\$44,000	\$44,000	McCray
1-988-174-848	BRIGGS CREEK HYDRO	\$690,000	\$690,000	Moyle
0-035-529-728	BYPASS LIMITED	\$8,832,000	\$8,832,000	Zwygart
1-824-662-528	DRY CREEK LLC	\$1,688,000	\$1,688,000	McCray
0-306-586-624	ELK CREEK	\$727,000	\$727,000	Moyle
0-916-595-712	HAZELTON A HYDROELECTRIC	\$7,314,000	\$7,314,000	Zwygart
0-633-086-976	HAZELTON B HYDROELECTRIC PROJECT	\$3,205,000	\$3,205,000	McCray
1-451-566-080	JIM KNIGHT HYDRO PLANT	\$202,000	\$202,000	Moyle
0-587-015-168	LEMHI HYDROPOWER COMPANY	\$178,000	\$178,000	Zwygart
0-318-579-712	MARCO POWER INC	\$336,000	\$336,000	McCray
1-392-321-536	MARSH VALLEY DEVELOPMENT	\$723,000	\$723,000	Moyle
0-855-450-624	MILE 28 WATER POWER PROJECT LLC	\$281,000	\$281,000	Zwygart
1-293-296-640	MINK CREEK HYDRO LLC	\$1,364,000	\$1,364,000	McCray
0-073-540-608	NORTH SIDE CANAL COMPANY	\$1,399,000	\$1,399,000	Moyle
1-616-454-656	SAINT ANTHONY HYDRO LLC	\$1,110,000	\$1,110,000	Zwygart
0-610-411-520	WILSON LAKE HYDRO PROJECT	\$3,512,000	\$3,512,000	McCray

The Board considered the decisions for **appealing properties receiving a 4-R reduction**. These are only those appealing properties receiving the reduction. **Each docket number was motioned individually, as indicated below. All commissioners voted aye, and the motions were approved.**

Docket Number	Appellant	Appraised Property Assessment Value	4-R Act Reduction	Final Value	Motion
0-781-853-696	IDAHO POWER	\$2,313,365,106	14.56%	\$1,976,539,147	Moyle
0-524-035-072	AVISTA CORPORATION - GAS	\$179,504,000	16.73%	\$149,472,981	Zwygart
0-920-527-872	AVISTA CORPORATION - ELECTRIC	\$666,094,958	16.73%	\$554,657,272	McCray
1-368-138-752	LUCKY PEAK POWER PROJECT	\$18,167,000	12.01%	\$15,985,143	Moyle
0-868-426-752	LUMEN TECHNOLOGIES, INC	\$197,000,000	15.02%	\$167,410,600	Zwygart
0-012-329-984	RATHDRUM POWER, LLC	\$114,823,000	15.97%	\$96,485,767	McCray
0-197-338-112	PACIFICORP	\$616,904,000	13.53%	\$533,436,889	Moyle
1-086-071-808	TESORO LOGISTICS NORTHWEST PIPELINE, LLC	\$107,967,582	12.05%	\$94,957,488	Zwygart
0-046-277-632	NORTHWEST PIPELINE, LLC	\$234,151,823	13.71%	\$202,049,608	McCray
1-120-019-456	GAS TRANSMISSION NORTHWEST	\$238,661,268	15.97%	\$200,547,064	Moyle
1-731-863-552	SOUTH FORKS JOINT VENTURE	\$5,503,000	14.68%	\$4,695,160	Zwygart
0-473-506-816	TELEPHONE AND DATA SYSTEMS, INC	\$35,503,905	12.91%	\$30,920,351	McCray
0-568-927-232	ZAYO GROUP, LLC	\$21,873,000	14.56%	\$18,688,291	Moyle

The Board considered the decisions for **appealing properties not receiving a 4-R reduction**. These are only those appealing properties for whom no 4-R reduction applies. **Each docket number was motioned individually, as indicated below. All commissioners voted aye, and the motions were approved.**

Docket Number	Appellant	Appraised Property Assessment Value	Final Value	Motion
1-597-776-896	ARROWROCK POWER PROJECT	\$8,441,000	\$8,441,000	Zwygart
0-389-686-272	MARYSVILLE HYDRO PARTNERS	\$6,821,000	\$6,821,000	McCray
1-080-108-032	HOLLY ENERGY PARTNERS, LP	\$14,515,946	\$14,515,946	Moyle

The Board reviewed and considered for approval the **Equalization of Centrally Assessed Values for 2022**. Jerott Rudd, Property Tax Operating Property Bureau Chief, was recognized to present the operating property values for 2023. Mr. Rudd thanked the Board for their work this year on the Board of Equalization. He appreciates everything the Board has done, despite the large number of appeals, to make everything smooth this year.

Mr. Rudd presented the current year's taxable value comparison report for all operating property. The number the Board will consider for certification today is **\$7,229,290,186**. This is the 2023 operating property value. It is a reduction of 11.41% from the 2022 values. The overall decrease in operating property values due to the 4-R Act reductions statewide was about 14.51%. The Board is asked to certify the value stated. Mr. Rudd has also provided another report showing the allocations to counties with the total operating property value.

Commissioner Moyle moved to approve the value as presented for operating property. All commissioners voted aye, and the motion was approved.

Commissioner Zwygart asked if the counties will receive the comparison report. Mr. Rudd said they will receive the report. This report and several others will be posted to the Tax Commission's website on September 1, 2023.

Mr. Rudd presented the irrigation exemptions for 2023. This is an exemption for electricity used for irrigation purposes. It is reflected in the appraisals for the listed companies, but the benefit accrues to the irrigation users. The total for 2023 is **\$388,533,129** and that is the amount submitted for approval this year.

Commissioner McCray moved to approve the Bureau's recommendation as presented. All Commissioners voted aye, and the motion was approved.

Commissioner Katsilometes recognized Alan Dornfest, Property Tax Policy Bureau Chief, who presented the abstracts that consist of the locally assessed values as determined by the county assessors and first equalized by the County Boards of Equalization and submitted to the state for equalization. He's received all abstracts and has made those available to the Board for review. Mr. Dornfest has reviewed the file and found there were three corrections for Kootenai County that were not made prior to the final report submission. He offers those corrections today.

The corrected numbers are for Category 15, which is Rural Subdivision Land. They are all very small corrections due to a homeowner's exemption that was found late that caused the value to need to be reduced. The county split half the value into the Land Category and half the value into the Improvement Category (37). The **corrected number for Category 15 is \$6,517,816,658** which is \$75,000 lower than the number provided in the report to the Board. **In Category 37**, the correction is also \$75,000, **bringing the total to \$5,652,664,984**. He will make the corrections available to the Board in writing.

There is one other correction that was much larger and was found when the county was correcting Categories 15 and 37. They had value in a category that only uses acreages. Category 19 is generally used for wasteland and not assessable. Brian Stender, Canyon County Assessor, was recognized to define that Category 19 is Public Right of Way and isn't assessed. It's reviewed to be zero every year. Mr. Dornfest said Kootenai County intended the same but a value of about \$1.9 million was inadvertently placed into Category 19. It should have been placed into the Commercial Land

category. **The corrected value for Category 21, which is commercial land inside the city limits is \$2,137,348,865.**

With those three corrections, the Board has all the abstracts. They've been reviewed and additional information was provided for any values containing atypical changes and he proposed the Board accept the abstracts with the recommended changes in Kootenai County.

Commissioner Moyle thanked Mr. Dornfest. She said there's been turnover and if this is all that needs to be fixed, she's extremely happy. She appreciates all the work in the counties, as well. She stressed that it's important to have the categories correct. In the past, that wasn't always the case, especially in agricultural land values. She appreciates that they've emphasized ensuring the categories are correct. Mr. Dornfest thanked Commissioner Moyle for the recognition and added that the Consulting Appraisers have done a tremendous amount of work to ensure, especially the agricultural land values, were appropriately assessed as well as all the other categories. They deserve a great deal of credit as well as the counties themselves, who've had an incredible amount of work to do with a sizable turnover in staff.

Commissioner McCray clarified that the third correction was to add value to Category 21, does that mean that value is subtracted from Category 19? Mr. Dornfest responded that Category 19 should not have been submitted as a category with value in it. He doesn't think it's necessary to subtract the value because it's not part of the official record. He was just sharing the reason for the difference.

Commissioner Katsilometes called for a motion to approve the statewide County Property Roll Abstracts. **Commissioner Moyle moved to accept the draft with the corrections Mr. Dornfest presented today for those abstracts. All Commissioners voted aye, and the motion was approved.**

Commissioner McCray was recognized for comment. He acknowledged Commissioner Katsilometes' many years of service to the citizens of the state of Idaho in various capacities, starting as a scrappy boxer and ending up as a Commissioner at the State Tax Commission. The Commission appreciates his service and all the contributions he's made, particularly to Property Tax. He acknowledged that this is Commissioner Katsilometes' last Board of Equalization; he'll be gaveling us out for the last time today. Commissioner Woods will start on Monday, and, on behalf of the other Commissioners, he extends their gratitude to Commissioner Katsilometes.

On Monday, at 10:00 there will be a small celebration. Governor Little is scheduled to present Commissioner Katsilometes' retirement certificate. The Commissioners wish him the best saying now it's time to focus on the important things: friends and family. He wishes him many years of happiness and doing things on his own schedule.

Commissioner Katsilometes said he appreciates the kind words. This is his 37th Board of Equalization, 35 as Chairman: 15 with Bannock County and 18 at the State Tax Commission. This has been an education. We've tried to do the best we can for Idaho and all the taxpayers. He thinks we've done a good job and things have worked out well. There are great people in Property Tax, and he thinks the assessors are generally pleased with things. The new commissioner, Paul Woods, will be a great addition to the Tax Commission.

Commissioner Katsilometes recessed the Board until 9:00 a.m. on Monday, August 28, 2023.

Maria Young
Secretary

Tom Katsilometes
Chairman of the Idaho State Board of Equalization