

Custer County
Board of Equalization
July 10, 2023

In the matter of George McQuiston, In attendance:

Commissioner Randy Corgatelli
Commissioner Steve Smith
Commissioner Wayne Butts – via Telephone
Assessor – Jacquell Bruno
Appraiser - Jeramy Dixon
Clerk – Lura Baker
Deputy Clerk – Tamra Giampedraglia

Commissioner Corgatelli opened the meeting at 8:30 a.m. The appellant is not present for their appeal. Discussion ensued regarding the procedure for proceeding with an appeal when the appellant is not present. This appellant was scheduled for four separate properties and for a time slot of 8:30 to 9:30 a.m.

Jeremy Dixon advised that under Idaho Code § 63-502 the burden of proof is on the taxpayers. He visited with Mr. McQuiston on three separate occasions. Three of the properties are commercial in nature, the land value did increase due to the sales increased values for the area. The other property to be appealed, is a home that was recently purchased. Assessing at 292.00 per square foot, assessor's office is in the middle of sales market value. Not over assessing per market value.

Commissioner Smith advised that they will deliberate later in the day on a decision for this appeal. This appeal was recessed at 9:20 a.m.

In the matter of Glen and Barbara Zimmerly, In attendance:

Commissioner Randy Corgatelli
Commissioner Steve Smith
Commissioner Wayne Butts – via phone
Assessor Jacquell Bruno
Appraiser Jeramy Dixon
Clerk Lura Baker
Prosecutor Justin Oleson
Deputy Clerk Tamra Giampedraglia

Barbara Zimmerly

Commissioner Corgatelli read the Board of Equalization Hearing Rules. Corgatelli then swore in Bruno, Jeremy, and Zimmerly.

He turned the time over to Zimmerly for her testimony, she gave an exhibit for review. She advised that they purchased the property from Flannigan's and they had split off the portion of the land that had the water rights. She advised that her property is dry land, the home is a very basic home that is 1500 sq ft,

purchased three different plots. Paid \$480,000 and the best parts were split off. She advised that she had been a Remax realtor in the past and also reached out to other realtor for values on comparable. She found some comparable that she felt were somewhat close to the value of the property. She found one that was close off of Fish Hatchery Road, built by the same contractor. She also found two others that had recently sold that were newer and larger but were also the similar property type to compare. They have additional outbuildings that she was not able to take off to make them more similar in value, so the values were more (page 39 in exhibit) . Page 40 in the exhibit gives a better breakdown of the similarities and differences. She listed off some of the differences of the comparable that make them higher in value than her home. She gave the reasoning for why they moved to this area and why they purchased the property that they did. She advised that they purchased the property due to the fact that it was more simple and secluded. Not a custom-built home.

The time was then given over to Jacquel and Jeremy, Jeremy gave a presentation with exhibit 1 showing the breakdown of the valuation and how he came to the valuation of the Zimmerly property. This exhibit shows the sale price divided by the above ground square foot. Lists the assessed value and the assessed value per square foot. Consistent within the breakdown of price per square foot for assessing. In Idaho there is a mass appraisal, characteristics can change but usually stay relatively similar. He advised that the Zimmerly appeal is a very detailed appraisal form, it is more specific than the mass appraisal that the assessors office completes to value properties. Required to be within 94 to 110% of the market value. The county has received a letter from the State Tax Commission for the past several years advising that the county is out of compliance on property valuations. He feels that his calculations are consistent with the market value of the area and the comparable. Based on what he has to analyze with the information that the assessor's office is provided, they feel they have valued the property accurately.

Commissioner Smith, thanked both parties for all of the information given. He asked if the size of the property needs to be re-evaluated, Jeremy advised that today is the last day to make a decision. The commissioners are able to decide if the assessor has made an error in the value or if the property owner has.

Zimmerly, advised that measured outside to outside. They have measured this three times and have come up with the same size of the home. This is not a custom-built home. The comparable that were given to her from the assessor are not even the same type of homes. She feels that the land value may be accurate but she feels that the home value is not accurate.

Commissioner Corgatelli asked Jeremy for clarification regarding the valuation classifications that he uses. Jeremy tried to clear up the factors that go into the price per square foot.

Jeremy summarized that he did send out to the Zimmerly's the comparisons so that they would be able to see why he valued the property as he did. The last valuation that is in the exhibit is a very recent home sold that is similar to the Zimmerly property and he feels that he valued them similarly and fairly.

Commissioner Corgatelli advised that the facts will be taken into advisement and the BOE recessed at 9:57 a.m.

In the matter of Clint Reese, in attendance:

Commissioner Randy Corgatelli

Commissioner Steve Smith
Commissioner Wayne Butts – via Telephone
Assessor Jacquiel Bruno
Jeremy
Prosecutor Justin Oleson
Clerk Lura Baker
Deputy Clerk Tamra Giampedraglia

Clint Reese

Commissioner Corgatelli opened the hearing at 11:00 a.m. He then read the rules of the Board of Equalization hearing. Commissioner Corgatelli swore in Clint Reese, Jacquiel Bruno and Jeremy Dixon to testify.

Commissioner Smith would like to have it on the record that Mr. Reese did contact him and that he did not discuss the appeal with Mr. Reese at that time.

Mr. Reese wanted to object to the fact that Tamra Giampedraglia and Jacquiel Bruno are sisters. He wanted it on record that he objects to Tamra Giampedraglia attending this meeting and that he feels that there is a conflict. Tamra Giampedraglia advised that she would recuse herself from the meeting if need be, as the meeting is being recorded and she does not need to take the notes. Clerk Baker advised that this was not necessary, Commissioner Smith explained the nepotism law and the fact that it does not affect this hearing.

Commissioner Butts advised that his concerns were duly noted.

Mr. Reese passed out his Exhibit A and began his discussion about his neighbor Carolyn Bruce's property. He compared his property in detail to Carolyn Bruce's property down to the trees in the front yard. He then submitted his Exhibit B and discussed cosmetic appeal.

Justin Oleson joined the meeting. Mr. Reese stopped the meeting to ask why Mr. Oleson was joining the meeting. Commissioner Smith advised that Mr. Oleson is the council for the Commissioners and is legally able to join the meeting. Mr. Reese advised that he objected to Mr. Oleson joining the meeting and would like to have it on record.

Mr. Reese would like to have it on record that he does not feel that Carolyn Bruce's property value should not go up due to this appeal.

Jeremy took his turn and handed out Exhibit 1 to those in attendance. He advised that the assessor is required to assess value based on Market Value. He would also like it to be noted that the assessor assesses on a mass value, not on a more specific individual basis. He addressed the concern for Carolyn Bruce's property, he explained the differences in the properties of Bruce and Reese and the reason each were assessed differently. Would like to also refer the Commissioners to Idaho code 63-502 and reminded them that it is the burden of proof lies on the tax payer. He also went over code that advises that the values will be assessed annually. He then reviewed the "market valuation" approach for assessing values. The state tax commission does an annual analysis regarding assessed values and had advised that Custer County was not in compliance.

Commissioner Smith asked Jeremy about the adjustment in 2020, wanted to confirm that this was an adjustment on the structure as it was in remodel state.

Mr. Reese reiterated that Carolyn Bruce's property is assessed at \$79 and his is \$101. He asked how this could be fair. He brought up several points that Jeremy had addressed in regards to valuation and advised that the data that is being used is outdated and unreasonable. He still confirms that his value is way over valued and he is asking that the BOE be fair.

Jeremy, if you look at many of the other properties in the area of Mr. Reese's house, he feels that with the exception of the Bruce home, the other homes are within the same value of Mr. Reese's home.

Commissioner Corgatelli advised that the information was going to be taken into advisement and a decision would be made later today. This hearing was adjourned at 11:30 am

In the matter of Confluence Institute Inc., those in attendance:

Commissioner Corgatelli
Commissioner Smith
Commissioner Wayne Butts – on Telephone
Prosecutor Justin Oleson
Assessor Jacquiel Bruno
Jeremy Dixon
Clerk Lura Baker
Deputy Clerk Tamra Giampedraglia

Laurence "Laird" Lucas
Amanda Gardner Executive Director of White Cloud Preserve

Mr. Lucas began his testimony by introducing himself and the Confluence Institute Inc. He explained the location of the properties for this appeal. He explained the history of the properties and the use of this property up to this time. Property was obtained in 2020 by the current owners through a donation, its mission is non-profit for conservation. He explained the ownership of this property and the layout of the property and its buildings. This property has been under conservation agreements for the past several years and Custer County has approved the wildlife habitat exemption, until this year when it was denied.

Commissioner Smith wanted to clarify the reason for the appeal. Time was stopped for testimony while this was clarified.

Mr. Lucas advised that they are not requesting non-profit exemption, they are asking for a wildlife habitat exemption. He would also like to question the valuation for this property but does understand that values have gone up county wide. He advised that he feels that they qualify for the wildlife habitat exemption under Idaho Code 63-605A (owned by a non-profit dedicated to conservation) or 63-605B (nonprofit owned and under conservation agreement)

Jeremy discussed previously applied for exemptions that were denied. Jacquiel passed out Exhibit 1. He asked that the commissioners go to the second page and reviewed the section regarding the qualifications for being eligible for the wildlife habitat exemption. 63-605 states that if the applicant

doesn't apply, then once they do apply, it takes three years of compliance to be again eligible. He advised that the exemption was granted in 2022, but should not have been, three years should have passed. They will be eligible in 2025 as that is three years from the year that they were granted the exemption since they applied since taking ownership. Jeremy then again explained the valuation being at market value. He stated for the record, that the Stanley area saw an increase of approximately 55%.

Mr. Lucas advised that even though the property was given an exemption in 2022 and shouldn't have been, that should not apply to this year. They should still qualify. Conservation agreements have never had a gap for this property. There has been an ownership change and the conservation agreements have been in place, which was needed to satisfy the provisions under Idaho Code. He believes that this is a legal issue and would like to have it re-evaluated and would like to have the BOE consider this exemption and reverse this denial.

Jeremy reviewed the part of the code regarding the paperwork that is needed with the application each year in order to qualify for this exemption. He is not aware of all of the documentation being submitted for this year.

Commissioner Smith asked for clarification for the noxious weed documentation, he asked for clarification regarding the code from Mr. Oleson. Justin Oleson gave interpretation regarding the code for filing for this exemption. He explained that there are several parts in order to qualify for this exemption.

Commissioner Corgatelli advised that the commissioners would take this information under advisement and would make a decision. BOE recessed at 11:58 a.m.

In the matter of Jeff Higley, In attendance:

Commissioner Randy Corgatelli
Commissioner Steve Smith
Commissioner Wayne Butts - via Telephone
Assessor Jacquiel Bruno
Jeremy
Prosecutor Justin Oleson
Clerk Lura Baker
Deputy Clerk Tamra Giampedraglia

BOE meeting called to order at 1:30 pm, Called to order by Commissioner Corgatelli, Lura Baker sworn in on behalf of Jeff Higley, Bruno and Jeremy Dixon sworn in on behalf of the assessor office. Corgatelli read the hearing rules.

Lura Baker took the floor on behalf of Jeff Higley, and read the emailed statement sent by Mr. Higley. This statement has been entered as Exhibit A.

Jeremy handed out Exhibit 1 for the assessor's testimony. He reviewed the packet in detail, going over the property details of all of the comparable properties. He advised that Mr. Higley had asked him to send comparable properties, which he did. He advised that Idaho is a market value assessment state yet there isn't a lot of information to be able to use as Idaho is not a full disclosure state as far as sale

information. He attempted to find comparables to send to Mr. Higley that would be useful in explaining the valuation, but it is very hard to find homes similar.

Commissioner Smith commented that Mr. Higley did not object with the land value, but does object with the value of the home. Smith asked how to value the improvements that are completed on a property.

Commissioner Corgatelli asked if Mr. Higley still owns the home and if he has the home for sale.

Commissioner Corgatelli recessed the hearing at 1:51 p.m. The Board of Equalization will discuss this information and will make a decision by the end of the day.

In the matter of Cory & Catherine Brower, in attendance:

Commissioner Corgatelli
Commissioner Smith
Commissioner Butts – via Telephone
Prosecutor Justin Oleson
Assessor Jacquiel Bruno
Appraiser Jeramy Dixon
Clerk Lura Baker
Deputy Clerk Tamra Giampedraglia

Catherine Brower

Commissioner Corgatelli called the BOE hearing back to order at 2:00 p.m. Commissioner Corgatelli read the appeal hearing rules and then swore in Catherine (Cathy) Brower, Jacquiel Bruno and Jeramy Dixon. He then turned the floor over to Mrs. Brower.

Catherine Brower began her testimony by advising that her home is a new home finished in 2022. They had an appraisal completed in 2022 at a value of \$640,000.00. The county assessment is close to 1 mil. A real estate agent in the Mackay advised her that she would list it at about \$725,000 to \$750,000 and they would most likely get \$700,000. She submitted an Exhibit A which included the appraisal, comps, itemized list of improvements to the home and contracts for building the dwellings on the property. She had only provided one copy, so the commissioners and assessors office took some time to review the information provided.

Commissioner Smith asked to clarify the valuation that she has come up with. Cathy gave the itemized breakdown of all expenses.

Jeramy asked about the contracts that were provided by the contractor regarding the estimate coming in similar to the final appraisal value. Mrs. Brower advised that they added some extras to the initial bid, but still came in very close to the value on the initial contract as some items finished in under contract. Mrs. Brower advised that she is being very honest with the information that she is providing to the commissioners and feels that if she could actually sell her home for the assessed value, she would gladly agree to the tax value, but she feels that she would not be able to market the home at that valuation.

Jeremy provided Exhibit 1 for review and testified regarding the breakdown of the valuation per the assessor's office. Cathy clarified the illustration of the shop/apartment for the valuation. He advised that when he was at the home for the inspection/valuation, there wasn't anyone home so he had to estimate the upper level on the home, which could be reviewed. He explained the breakdown of the assessed value and how he derived at the value. He explained the market value and building cost value approach for assessment valuation. He explained the mass assessment approach to valuation. The appraisal that was completed in May of 2022, but he does not see if appraiser recertified the value with an increase to value once it was done.

Commissioner Smith asked Jeremy how the assessor's valuation could differ from a bank appraisal. Mr. Dixon explained the factors that go into the different types of appraisals and valuations.

Cathy, the total sq footage is at 3551 instead of 3642 sq ft, her home is in the middle of a field and not near a body of water. She does not agree that the comps that were used are adequate. She feels that this home was built and finished when building costs were very high and even with that factor, her home shouldn't be valued at the amount it is being assessed.

Jeremy advised that yes, the square footage is incorrect and if the commissioners would like that reviewed, that could be done.

Commissioner Corgatelli advised that they will take into advisement the information provided and make a decision by the end of today. The hearing was recessed at 2:28 p.m.

In the matter of Gary and Lauri Gadwa, in attendance:

Commissioner Randy Corgatelli
Commissioner Steve Smith
Commissioner Wayne Butts — Via Telephone
Assessor Jacquel Bruno
Appraiser Jeremy Dixon
Prosecutor Justin Oleson
Clerk Lura Baker
Deputy Clerk Tamra Giampedraglia

Commissioner Corgatelli opened the meeting at 2:30 p.m., swore in Lura Baker on behalf of Gadwa's, Jacquel Bruno and Jeremy Dixon on the behalf of the assessor's office. Commissioner Corgatelli read the rule of the hearing.

Clerk Lura Baker read the letter sent in by Gary and Lauri Gadwa.

Jeremy does not have exhibit to present. The letter that was received was mailed before the deadline, however not received until after the deadline. Jeremy did reach out to Mr. Gadwa who advised that he had just wanted to have his feelings heard. Jeremy had explained to Mr. Gadwa the reasoning for the increase and the fact that Idaho is a market value state.

Commissioner Corgatelli asked for questions, Jacquel showed the commissioners the photos of the home and the valuation of the home breakdown, this was entered in as Exhibit 1. Commissioner Corgatelli recessed the BOE hearing at 2:38 p.m.

In the matter of John & Heidi Rennison, those in attendance:

Commissioner Randy Corgatelli
Commissioner Steve Smith
Commissioner Wayne Butts – Via Telephone
Prosecutor Justin Oleson
Assessor Jacquiel Bruno
Appraiser Jeramy Dixon
Clerk Lura Baker
Deputy Clerk Tamra Glampedraglia

Commissioner Corgatelli opened the meeting for the BOE at 3:00 p.m. and read the appeal hearing rules. Commissioner Corgatelli swore Clerk Lura Baker, as representative for John & Heidi Rennison, in to testify. Jacquiel Bruno and Jeramy Dixon were sworn in on behalf of the assessor's office.

Clerk Lura Baker read exhibit A, a signed statement from John and Heidi Rennison, which was emailed to Clerk Baker.

Jeramy gave testimony regarding that the appeal was received June 30th, was post marked June 26th. This structure has been under construction for several years, the garage is not being assessed. In 2021 the building was assessed as if it were finished, no appeal was made. In 2022 the building was assessed again as if it was finished, no appeal was made. Now the valuation went up 55% and an appeal was sent in. It is the taxpayer's responsibility to let the assessor's office know the status of the building. Marshals Swift has a guide that assist in determining the percentage of completion. It estimates the completion at 40% complete. With this being said, the land value would be at \$199,380, the building would be valued \$237,840 for a total of \$437,220. If they had actually contacted the assessor's office, this

Per Jacquiel, tax payer has never contacted the assessor's office. If they had they could have made a correction. They didn't even send in their appeal until the date of the deadline. Jeramy attempted to contact them three times and they never returned correspondence.

Commissioner Smith, for the record, if Jeramy's recommendation of 40% completion is agreeable with the assessor, which Jacquiel confirmed it was, then he felt that is what should happen.

Commissioner Corgatelli advised that the hearing would be recessed at 3:12 p.m.

Deliberations:

Rennison:

Commissioner Smith made motion to assess property at \$199,380, building \$237,840 for a total of \$437,220. Commissioner Corgatelli second, motion passed unanimously with roll call vote from all three commissioners.

Gadwa:

Commissioner Smith made the motion to uphold the assessed value of the property. Commissioner Corgatelli second, motion passed with roll call vote from two commissioners.

Brower:

Commissioners discussed the discrepancy in the square footage, asked for advice from Prosecutor Oleson. Oleson re-read Idaho Code to advise the Commissioners on how to proceed with determining the market value based on the testimony presented.

Commissioner Corgatelli recessed the BOE for additional research at 3:25 p.m.

Deliberations:

Commissioner Corgatelli reconvened the BOE for deliberation at 3:59 p.m.

Brower:

Commissioner Smith made a motion to ask that the county appraiser and assessor correct the square footage to 3551 and then that square footage be assessed at a valuation of \$206.80 per square ft. Corgatelli seconded, motion passed unanimously of roll call vote from three commissioners.

Higley:

After review of the documentation provided by the appraiser and assessor, Commissioner Smith advised that he felt that the value should stand. Commissioner Smith made a motion to uphold the assessed value of the property and deny the appeal, Commissioner Corgatelli second, motion passed unanimously of roll call vote from three commissioners.

Confluence Inst:

Commissioner Smith advised that the discussion on Idaho Code 63-605, lacked support for the appellant regarding this exemption. The portion regarding the applying for exemption and then not applying for exemption, but they did not follow statute.

Commissioner Smith asked council what wording he would advise for the motion. Prosecutor Oleson advised that he would like to have on record if this organization would actually fit under any Idaho code for an exemption. He would like the commissioners to look at discussing all of the exemptions that this entity may or may not qualify for and to go through each factor needed in order to qualify for each exemption. There are factors/stipulations for each exemption that an entity needs to meet in order to qualify for the exemption. He urged the BOE to work through each factor and make sure the entity qualified or not.

Commissioner Butts advised that there has not been three consecutive years of active ag, and the application was not completed. On this basis he would advise to deny this exemption.

Commissioner Smith also advised that there is not documentation that needs to be published for items such as weed abatement, which has not been provided.

Prosecutor Oleson had the commissioners go through the bullet points for qualifying for exemptions. Commissioner Smith reviewed these qualifications and found that the Confluence Institute did not meet all requirements to be eligible for this exemption under 63-602C, as they did not submit enough

Information to review. One stipulation to qualify for 63-605 is that the entity also qualify for 63-602C. At this point, for this year, the entity does not qualify.

Commissioner Smith made a motion to deny the exemption under 62-603C, also to decline the exemption under 63-605(2) as it also does not meet the requirements needed to qualify. Corgatelli seconded, motion passed unanimously with a roll call vote from three commissioners.

Reese:

Commissioner Smith asked for clarification regarding concerns of the appellant regarding those present for this appeal hearing. Per council, Prosecutor Justin Oleson, this is a public hearing and testimony was only taken from the appellant and the assessors office. Council is available to be in the meeting in order to advise the Commissioners, Giampedraglia was here to take notes from the meeting for the Clerk's office. Both are within legal rights to attend this hearing.

Commissioner Smith made a motion to deny the appeal and uphold the assessor's valuation of the property. Corgatelli seconded, motion passed unanimously with a roll call vote of three commissioners.

Zimmerly:

After discussion, the Commissioners advised that they would like to have the assessor office review the items the appellant brought up. Council advised that the commissioners could have the appraiser reach out to the appellant for next year.

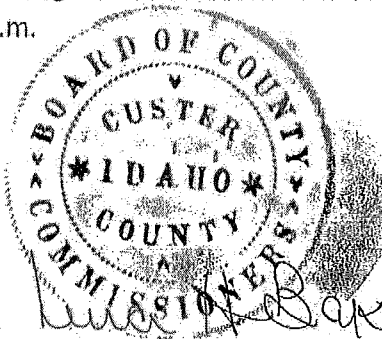
Commissioner Smith made a motion to give direction to the appraiser that any discrepancies that could be found, could be discussed with the appellant for future years assessment, with that being said, he would deny the appeal and uphold the current assessment on this property. Corgatelli seconded, motion passed unanimously with a roll call vote from three commissioners.

McQuiston:

Commissioner Smith addresses the fact that the appellant did not appear and did not make arrangements to have a representative in his absence.

Commissioner Smith made the motion to deny the appeal and uphold the current assessment. Corgatelli seconded, motion passed unanimously with a roll call vote from three commissioners.

There being no further business before the Board of Equalization the session was recessed at 4:30 p.m.



Attest:

Lura H. Baker, Clerk


Randy Corgatelli - Commissioner