

COMMISSIONERS MINUTES

JULY 7, 2014

The Elmore County Commissioners met in regular session on the above date in the Commissioners Room, basement of the Elmore County Courthouse, 150 South 4th East, Mountain Home, Idaho.

Present at the meeting were Chairman Al Hofer, Commissioners Bud Corbus and Wes Wootan. Also present were Civil Attorney Buzz Grant, Clerk Barbara Steele, Deputy Clerk Shelley Hooper, Assessor Ron Fisher, Chief Deputy Appraiser Terry Hughes, Appraiser Connie Dorr and Appraiser Joshua Dison.

The Board is meeting as a Board of Equalization to review and/or make decisions on property assessment appeals. They will also meet as a Board of County Commissioners to discuss regular County matters.

Motion by Hofer, second by Corbus, to recess as a Board of Commissioners and convene as a Board of Equalization.

HOFER - **AYE**

CORBUS - **AYE**

WOOTAN..... - **AYE**

Motion carried and so ordered.

The first appeal heard was from Raft River Investments, LLC, parcel number RPA03S06E251655A. Scott Thomson, manager of Raft River Investments, LLC was present. Chairman Hofer swore in those who were testifying. Mr. Thomson presented a handout which he reviewed with the board. It included an introduction to the purchase of the property, operational expenses history, rental rates, a statement on comparable sales, the income approach, cost approach and conclusion. Mr. Thompson feels that the valuation is extremely high compared to the net rent potential on the property, as 30% of the net income goes to property taxes.

Appraiser Dorr read the summary provided by the Assessor’s Office:

After further evaluation by the appraisers of the subject property, the Elmore County Assessor’s office made several adjustments and requests the Board of Equalization lower the total value from \$507,776, as shown on the 2014 Assessment Notice, to \$455,337 for the tax year 2014. Mr. Thomson believes his property located on American Legion Blvd, should be lowered in value for 2014 to \$400,000. He feels the commercial market in Mountain Home is weak in terms of demand and rents, and that the net operating income (NOI) of the property does not support the assessed value. All three approaches to value were used to value Mr. Thomson’s property, as per Idaho code; the Cost Approach, the Market Approach, and the Income Approach. Each approach was weighted, in accordance to validity, and a reconciliation was done. Because this is an income producing property, the income approach was weighted as 70 percent of the value, with 15 percent to the cost approach and 15 percent to the sales approach. The total weighted value, including the land, is \$455,337 as shown on the Reconciliation sheet. We feel we have treated Mr. Thomson fairly and equitably. Based on the facts provided we request the

CORBUS -**AYE**
WOOTAN -**AYE**

Motion carried and so ordered.

Motion by Hofer, second by Corbus, to add the approval of the Certificate of Residency applications to the agenda, as it was inadvertently omitted.

HOFER -**AYE**
CORBUS -**AYE**
WOOTAN -**AYE**

Motion carried and so ordered.

Motion by Hofer, second by Corbus, to recess as a Board of Commissioners and convene as a Board of Equalization.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN - **AYE**

Motion carried and so ordered.

The next appeal was Thomas C. Ruberry, parcel number RP003170010020A. Mr. Ruberry was not present. Chairman Hofer swore in those who were testifying.

Appraiser Hughes read the summary provided by the Assessor’s Office:

The Assessor’s office requests the Elmore County Board of Equalization uphold our amended value of \$27,108 for the tax year 2014. Mr. Ruberry believes the value of his property is too high and should be valued at \$25,000. He has stated that the land still has value but should be valued as bare worthless land after the Elk Complex Fire swept through the area. Assessed values in the State of Idaho are based on market value using mass appraisal techniques. The definition of mass appraisal is the process of valuing a group of properties as of a given date (January 1) using common data, standardized methods and statistical testing. This is done every year using a ratio study to compare our assessed values to sales reported to us. Once we determine the market, all properties are indexed to meet that market value. In addition, the State Tax Commission performs their own ratio study to determine whether we have adjusted values appropriately to meet compliance standards. The Assessor’s office is required to base our values on sales. There have been two sales reported to us after the fire. The first parcel sold for \$25,000 which is \$5,450 below our assessed value of \$30,450. The second one was for \$60,000 which is \$13,152 more than our assessed value of \$43,848. Two sales are not enough to perform a valid study and only using one is a violation of the methods used to set assessment values in Idaho. After reviewing our records and Mr. Ruberry’s property we determined an adjustment for water on the lot could be made which decreased the assessed value from the original \$41,418 by \$14,310 to \$27,108. We thank Mr. Ruberry for bringing this matter to our attention and based on the facts provided, we feel Mr. Ruberry has been treated fairly and equitably. We request the value remain at the amended value of \$27,108.

The hearing was closed.

Motion by Wootan, second by Corbus, to uphold the amended value on parcel number RP003170010020A, Thomas C. Ruberry, in the amount of \$27,108.00 for the tax year 2014.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Corbus, second by Wootan, to lower the total value on parcel number RPA03S06E251655A, Raft River Investments, LLC from \$507,776.00, as shown on the 2014 Assessment Notice to \$455,337.00 for the tax year 2014.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Hofer, second by Corbus, to recess as a Board of Equalization and reconvene as a Board of Commissioners.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Clerk Steele reviewed budgets. The Commissioners budget will have a few slight increases. A possible Human Resources position and how it would fit into the county budget as its own separate line item was discussed. The Extrication Department’s budget will increase by \$6,000.00 as responders will now be compensated when responding to an extrication call. The County Fuel budget will be increased by \$10,000.00 due to increased fuel costs.

Motion by Hofer, second by Corbus, to recess as a Board of Commissioners and convene as a Board of Equalization.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

The next appeal was Vivian Gunnerengen, parcel numbers RPA02890010020A and RPA02890010080A. Ms. Gunnerengen was not present. Chairman Hofer swore in those who were testifying.

Appraiser Dorr read the summary provided by the Assessor’s Office for parcel number RPA02890010020A:

The Elmore County Assessor’s office requests the Board of Equalization up-hold our value of \$198,646 for the tax year 2014. The single story 4-plex was constructed in 2007; it is 3936 square foot in size.

Each of the units has 2 bedrooms and 2 baths, as well as an attached garage with automatic openers. Each unit also has a small fenced patio area. Ms Gunnerengen feels the assessed value of this multi-family residence is not supported by local market values. Based on three sales, one of which is an arm's length transaction, the other two are repos or short sales, Ms. Gunnerengen would like the value to be lowered to \$164,536. Assessed values in the State of Idaho are based on market value. We do a study each year analyzing the actual sales reported to us against our assessed values. Analyzing the sales isn't just done by looking at what the 4-plexes sold for and finding an average of the sales prices and changing the assessed values to match. We formulate our opinion about the market based on verifiable facts and data available from reliable sources. For our 2014 values we studied sales from 10/2012 to 12/2013 and compared them to our 2013 values. Once we determine the market, all properties are indexed to meet that market value. We also mass appraise similar or like properties in order to value properties in a consistent manner. The definition of mass appraisal is: the process of valuing a group of properties as of a given date (January 1) using common data, standardized methods and statistical testing. We use accepted appraisal techniques by the International Association of Assessing Officers to ensure all properties within the neighborhood or market area are valued in the same manner. We feel we have treated Ms. Gunnerengen fairly and equitably and based on the facts provided we request the value remain at \$198,646. Appraiser Dorr reviewed the documents attached to the summary.

Appraiser Dorr read the summary provided by the Assessor's Office for parcel number RPA02890010080A:

The Elmore County Assessor's office requests the Board of Equalization up-hold our value of \$211,544 for the tax year 2014. The 2-story 4-plex was constructed in 2007; it is 4000 square foot in size. Each of the units has 2 bedrooms and 2 baths on the second floor and a half bath on the main floor, as well as an attached garage with automatic openers and a small patio area. Ms. Gunnerengen feels the assessed value of this multi-family residence is not supported by local market values. Based on three sales, one of which is an arm's length transaction, the other two are repos or short sales, Ms. Gunnerengen would like the value to be lowered to \$174,536. Assessed values in the State of Idaho are based on market value. We do a study each year analyzing the actual sales reported to us against our assessed values. Analyzing the sales isn't just done by looking at what the 4-plexes sold for and finding an average of the sales prices and changing the assessed values to match. We formulate our opinion about the market based on verifiable facts and data available from reliable sources. For our 2014 values we studied sales from 10/2012 to 12/2013 and compared them to our 2013 values. Once we determine the market, all properties are indexed to meet that market value. We also mass appraise similar or like properties in order to value properties in a consistent manner. The definition of mass appraisal is: the process of valuing a group of properties as of a given date (January 1) using common data, standardized methods and statistical testing. We use accepted appraisal techniques by the International Association of Assessing Officers to ensure all properties within the neighborhood or market area are valued in the same manner. We feel we have treated Ms Gunnerengen fairly and equitably and based on the facts provided we request the value remain at \$211,544. Appraiser Dorr reviewed the documents attached to the summary.

Daryl Rhead appeared to represent Ms. Gunnerengen. Chairman Hofer swore in Mr. Rhead. Mr. Rhead explained that Ms. Gunnerengen feels that her assessment is much too high in comparison to the rents she is able to collect on the four-plexes. When she first purchased the four-plexes, she was able to collect approximately \$900.00 per month rent. Currently she is collecting \$650.00 to \$675.00 per month rent. Mr. Rhead discussed comparable sales from December 2013.

The hearing was closed.

Motion by Corbus, second by Wootan, to uphold the assessment by the Assessor’s office on parcel number RPA02890010020A, Vivian Gunnerengen in the amount of \$198,646.00 for the tax year 2014.

HOFER - AYE
CORBUS - AYE
WOOTAN - AYE **Motion carried and so ordered.**

Motion by Corbus, second by Wootan, to uphold the assessment by the Assessor’s office on parcel number RPA02890010080A, Vivian Gunnerengen in the amount of \$211,544.00 for the tax year 2014.

HOFER - AYE
CORBUS - AYE
WOOTAN - AYE **Motion carried and so ordered.**

Motion by Hofer, second by Corbus, to recess as a Board of Equalization and reconvene as a Board of Commissioners.

HOFER - AYE
CORBUS - AYE
WOOTAN - AYE **Motion carried and so ordered.**

Motion by Hofer, second by Corbus, to approve and sign the letter of support to the Idaho Transportation Department for Highway 20 upgrades.

HOFER - AYE
CORBUS - AYE
WOOTAN - AYE **Motion carried and so ordered.**

The winter maintenance on Arrowrock Road was discussed.

Motion by Hofer, second by Corbus, to recess as a Board of Commissioners and convene as a Board of Equalization.

HOFER - AYE
CORBUS - AYE
WOOTAN - AYE **Motion carried and so ordered.**

The next appeal was Kenneth W. Albertson, parcel number RP02N09E180610A. Mr. Albertson did not appear. Chairman Hofer swore in those who were testifying.

Appraiser Hughes read the summary provided by the Assessor’s Office:

The Assessor’s office requests the Elmore County Board of Equalization uphold our value of \$59,622 for the tax year 2014. Mr. Albertson believes the value for their property is too high and should be valued at \$25,000. In his written statement he states, “Prior to the Elk Complex Fire, the property was valuable solely because of its trees”. Assessed values in the State of Idaho are based on market value using mass appraisal techniques. The definition of mass appraisal is the process of valuing a group of properties as of a given date (January 1) using common data, standardized methods and statistical testing. This is done every year using a ratio study to compare our assessed values to sales reported to us. Once we determine the market, all properties are indexed to meet that market value. In addition, the State Tax Commission performs their own ratio study to determine whether we have adjusted values appropriately to meet compliance standards. The definition of market value means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment. The Assessor’s office is required to base our values on sales. There were two sales reported to us after the fire. The first parcel is 2.31 acres 4 miles south and sold for \$25,000 or \$10,822 an acre. The second one was for three parcels with a combined acreage of .470 and sold for \$60,000. These three parcels are located just over seven miles away to the south. Neither of these sales were used to substantiate or value Mr. Albertson’s property. They are only an example of the land still maintaining a value. We feel we have treated Mr. Albertson fairly and equitably. Based on the facts provided, we request their value remain at \$59,622. Appraiser Hughes reviewed the documents attached to the summary.

The hearing was closed.

Motion by Hofer, second by Corbus, to uphold the assessment by the Assessor’s office on parcel number RP02N09E180610A, Kenneth W. Albertson in the amount of \$59,622.00 for the tax year 2014.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Hofer, second by Corbus, to recess as a Board of Equalization and reconvene as a Board of Commissioners.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Sheriff Rick Layher and Chief Deputy Mike Barclay appeared to discuss the proposed resolutions for Disaster/Event Roadblocks and Command Vehicle Policies.

Motion by Hofer, second by Corbus, to recess as a Board of Commissioners and convene as a Board of Equalization.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

The next appeal was Ercell & Jeannine Hepworth, parcel numbers RP000580010110A, RP000580010100A, RP001520020030A and RP001520010070A. Mr. & Mrs. Hepworth were present. Chairman Hofer swore in those who were testifying. Mr. & Mrs. Hepworth gave testimony as to their increased assessment and feel that the values of their lots are too high due to the devastation from the wild fires in the area over the last two years. Mr. Hepworth asked for an explanation of the valuation process and how the assessed value is calculated.

Appraiser Hughes read the summary provided by the Assessor’s Office for parcel numbers RP000580010100A, RP000580010110A, and RP001520020030A:

The Assessor’s Office requests the Elmore County Board of Equalization up-hold our values of \$45,000 for lot 10 and \$61,490 for lot 11 both in block 1 of the Featherville Summer Homesites subdivision. We also request you up-hold our value of \$34,650 for lot 3 in block 2 of the Riverview subdivision for the tax year 2014. Mr. and Mrs. Hepworth feel the value on their lots are too high because of the fires in 2012 and 2013. They request their values be reduced to 2013 levels. For the 2013 tax assessment year there were 7 sales reported to us. Our subsequent study showed our values were just below compliance standards in the Pine/Featherville area but our overall county wide values were within compliance levels. Based on this study, we decided there was no need to increase land values in the Pine/Featherville area. For 2014 we received 6 sales in this area, all after the 2012 fire and with two being after the 2013 fire as well. The 2014 study revealed that we were out of compliance for bare land in the Pine/Featherville area. In addition, the 2013 sales showed us to be out of compliance for the entire county. In accordance with our study, we raised the values in the areas that were responsible for this noncompliance. We have already received two sales this year for the Pine/Featherville area and both are above our current assessed values. The two fires do not seem to be affecting the sales values (as of yet) according to the sales information given to us. Assessed values in the State of Idaho are based on market value. Studies are performed every year based on sales reported to us. Once the market is determined, similar properties are adjusted to reflect the indicated values. The State Tax Commission then does their own ratio study to determine whether we meet compliance standards. We have used comparable sales to determine the value of like properties based on our market studies. We feel we have treated Mr. and Mrs. Hepworth fairly and equitably. Based on the facts provided, we request the values remain at \$45,000 for lot 10 and \$61,490 for

lot 11 in the Featherville Summer Homesites subdivision. We also request the value remain at \$34,650 for lot 3 in the Riverview subdivision for the tax year 2014. Appraiser Hughes reviewed the documents attached to the summary.

Appraiser Hughes read the summary provided by the Assessor's Office for parcel number RP001520010070A:

The Assessor's Office requests the Elmore County Board of Equalization up-hold our value of \$566,601 for the tax year 2014. Mr. and Mrs. Hepworth feel the value on their residence is too high because of the fires in 2012 and 2013. They request their value be reduced to the 2013 assessment level. Assessed values in the State of Idaho are based on market value. Studies are performed every year based on sales reported to us. Once the market is determined, similar properties are indexed to reflect the indicated values. The State Tax Commission then does their own ratio study to determine whether we meet compliance standards. Based on our sales study we noted that the values of higher end homes were below compliance levels. In an effort to ensure the tax burden is being shared fairly and equally regardless of age, size or class of home, the higher end houses were increased. We have used comparable sales to determine the value of like properties based on our market studies. We feel we have treated Mr. and Mrs. Hepworth fairly and equitably. Based on the facts provided, we request their value remain at \$566,601 for the tax year 2014. Appraiser Hughes reviewed the documents attached to the summary.

Mrs. Hepworth discussed the comparables presented by Appraiser Hughes. She feels none of these should be used as they are not comparable to their home. Mrs. Hepworth discussed sales of two properties in 2014 that she feels are more comparable to their properties. Appraiser Hughes explained that they use comparable sales of properties in the area that occurred prior to December 2013, and he stated they can use those 2014 sales for the Hepworth's 2015 assessment.

The hearing was closed.

The next appeal was Alan & Rhonda Wickham, parcel Number RP02N09E284860A. Mrs. Wickham was present. Chairman Hofer swore in those who were testifying. Mrs. Wickham's property was involved in a wildfire. She showed pictures of her property before and after the fire, which was completely burned out. There are very little trees or green grass left, and they are in the process of removing the burned trees. The land isn't even fit for grazing, as there is nothing left. Their assessment decreased by approximately \$20,000.00 due to the total loss of the building that was on the property. They are very apprehensive about rebuilding on the same spot due to the condition of the surroundings, such as the black trees and lack of ground cover. Mrs. Hepworth feels that the assessment on the land is still way to high considering the condition of the property now. Appraiser Hughes stated that a property a half mile away from the Wickham's property sold for \$25,000.00 after the fire occurred, showing that properties in the area are still selling at high values.

Appraiser Hughes read the summary provided by the Assessor's Office:

The Assessor's office requests the Elmore County Board of Equalization uphold our amended value of \$22,575 for the tax year 2014. Mr. and Mrs. Wickham believe the value for their property is too high and should be valued at \$6,000 for their three acres or \$2,000 an acre. They have remarked that it is difficult to establish a value because property in the area is not selling. Assessed values in the State of Idaho are based on market value using mass appraisal techniques. The definition of mass appraisal is the process of valuing a group of properties as of a given date (January 1) using common data, standardized methods and statistical testing. This is done every year using a ratio study to compare our assessed values to sales reported to us. Once we determine the market, all properties are indexed to meet that market value. In addition, the State Tax Commission performs their own ratio study to determine whether we have adjusted values appropriately to meet compliance standards. The definition of market value means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummated the sale, substantiated by a reasonable down or full cash payment. The Assessor's office is required to base our values on sales. There were two sales reported to us after the fire. The first parcel is 2.31 acres and located only half a mile from the Wickham's parcel and sold for \$25,000 or \$10,822 an acre. The second one was for three parcels with a combined acreage of .470 and sold for \$60,000. These three parcels are located just over five miles away to the south. After reviewing our records and the Wickham's property we determined the acre for a "Home Site" could be changed to "Other Land" which decreased the valuation from the original \$25,099 to \$22,575 or \$7,544 per acre. We thank Mr. and Mrs. Wickham for bringing this to our attention. Based on the facts provided, we request the value remain at our amended value of \$22,575. Appraiser Hughes reviewed the documents attached to the summary. He encouraged Mrs. Wickham to report any new property sales in her area to the Assessor's Office so they can use those sales for the 2015 assessments.

The hearing was closed.

The next appeal was North Park Limited Partnership, parcel number RPA007600078AA North Parke II Limited Partnership, parcel number RPA00760000770CA. Dave Porter and Ed Cornforth were present. Kathlyn Ireland, Idaho State Tax Commission was also present. Chairman Hofer swore in those who were testifying. Mr. Porter feels the assessed value is too high considering the amounts for rents they can collect, as the apartment complexes are considered low income tax credit (LITC) properties, pursuant to Section 42 of the Internal Revenue Service (IRS) Guidelines. Due to these guidelines, they are limited in the amount of rents they can charge. They often lose renters because they exceed the qualified income levels. Their properties are competing with apartment complexes that can charge higher rents. Mr. Porter reviewed their income profit/loss statement for 2013, showing actual rents that they collect and operational costs. It shows that they have net loss nearly every year. Mr. Cornforth explained that North Park I had an average annual loss of \$11,700.00 over the last three years and North Parke, II had an average annual loss of \$17,600.00. They have tried to make up for those losses by foregoing management

fees and paying the payroll. Mr. Porter stated that the increased valuation, which results in higher property taxes, will have tremendously negative impact on the properties. Ms. Ireland clarified that their net loss, which is their debt service, is not an allowable expense for ad valorem purposes. Typically, on valuation of all income producing properties, especially multi-family and particularly low income housing tax payer properties, they do not look at the debit service as influencing the net operating income that will be capitalized. Ms. Ireland stated that North Park I reserves were greater than the tax bill for 2013. The State Tax Commission does not allow property taxes to be a line item expense. When they calculate a value that will be used in the net taxable amount, they do not allow the cost of the property taxes to be deducted. Ms. Ireland explained how economic obsolescence is calculated on Section 42 properties since they have rental caps. Discussion followed.

Appraiser Dorr read the summary provided by the Assessor's Office on parcel number RPA0076000077CA:

After further evaluation by the appraisers of the subject property, the Elmore County Assessor's office made several adjustments and requests the Board of Equalization increase the value from \$1,531,441 to \$1,919,503 for the tax year 2014. This is a Section 42 Low Income Housing Tax Credit rental property. Idaho Code 63-205A and Administrative Rule 220 provides special and specific rules for the appraisal of this property. The owner of this property is required by Code to provide a financial statement, showing income and expense line items; the project's rent roll, showing the rent charged for each unit and a copy of the Idaho Housing and Finance Association (IHFA) Annual Occupancy Report to the State Tax Commission by April 1st of each year. For 2014, I received a Statement of Operations, a unit Occupancy Report and the rent roll for December, of North Park on March 18, 2014. The detailed Financial Statement was sent to me on March 19th 2014. All three approaches to value (cost, market value and income approach) were considered in calculating the assessed value of North Park Limited Partnership. The 3 methods were each given a weighted value with the income approach being given the greatest weight of 60%. We feel we have treated North Park Limited Partnership fairly and equitably. Based on the facts provided to us by North Park, we request the value be increased to, and remain at \$1,919,503. Appraiser Dorr reviewed the documents attached to the summary.

Mr. Cornforth clarified that the rent revenue figure of \$299,048.00 that is shown on the assessor's income statement is the "maximum rent" they can potentially collect, and not the actual rent they have been collecting. Mr. Cornforth explained loss to lease calculations. Ms. Ireland stated that she may have to explore their calculations and gross income more thoroughly to get the actual net operating income. Mr. Porter again stated that the figures on the income statement that the Assessor's Office used for the assessment valuation is the "potential" gross and is much higher than their actual gross income. Appraiser Dorr explained that she received the income statement on 3/19/14. North Park, LP is required to send that statement to the Idaho State Tax Commission by 4/1/14. The Tax Commission then returned the statement to her on 4/15/14, and Appraiser Dorr went ahead and assessed the properties. There is a very specific timetable on when the income statements are due, per Idaho Code. She then received another

income statement on 6/23/14, after the properties were assessed using the initial income statement she received, so she did not feel that she should re-assess the properties. If she does not receive the proper documentation by the deadlines set forth in Idaho Code, she can value the properties at market value. She did not value them at market value, but as Section 42 properties. Appraiser Dorr assessed the properties according to the figures she received on the timely filed documents and is standing firm on her valuations. She feels if there is an issue, it is due to the fact that the proper documents were not sent, or the incorrect figures were included on the documents she did receive, and she can only work with the figures that she receives. Mr. Cornforth stated that he was not aware that Appraiser Dorr received one set of documents in March and a second set of updated reports in June. Appraiser Dorr continued her review of the documents attached to her summary and how she calculates her assessment value. Ms. Ireland reviewed an analysis she compiled based strictly on the documents and information received from North Park, LP, which included an occupancy report, income statement and cash flow analysis. Ms. Ireland explained the Economic Obsolescence Calculation. Mr. Porter stated that their purpose today is to come up with an assessment that is fair for both his company and the county. Their main struggle is turning potential renters away due to the Section 42 income guidelines that need to be followed. They have a harder time filling vacancies in their apartment complexes, as opposed to regular apartment complexes, due to these strict income guidelines. Mr. Porter feels that this issue restricts and reduces the value of their properties. Ms. Ireland agreed that they want to give North Park, LP a fair assessment, but can't do that because they are not receiving quality data such as annualized reports, audited reports, and a full year's worth of data. It was suggested that North Park, LP gather the required data and documentation and submit an appeal to the Board of Tax Appeals for further review.

Appraiser Dorr read the summary provided by the Assessor's Office on parcel number RPA0076000078AA:

After further evaluation by the appraisers of the subject property, the Elmore County Assessor's office made several adjustments and requests the Board of Equalization increase the value from \$1,222,898 to \$1,591,265 for the tax year 2014. This is a Section 42 Low Income Housing Tax Credit rental property. Idaho Code 63-205A and Administrative Rule 220 provides special and specific rules for the appraisal of this property. The owner of this property is required by Code to provide a financial statement, showing income and expense line items; the project's rent roll, showing the rent charged for each unit and a copy of the Idaho Housing and Finance Association (IHFA) Annual Occupancy Report to the State Tax Commission by April 1st of each year. For 2014, I received the detailed Financial Statement, a unit Occupancy Report and the rent roll for December, of Northparke II on March 18th 2014. All three approaches to value (cost, market value and income approach) were considered in calculating the assessed value of North Park Limited Partnership. The 3 methods were each given a weighted value with the income approach being given the greatest weight of 60%. We feel we have treated Northparke II Limited Partnership fairly and equitably. Based on the facts provided to us by Northparke II, we request the value be increased to, and remain at \$1,591,265. Appraiser Dorr reviewed the documents attached to the summary.

Motion by Wootan, second by Corbus, to uphold the Assessor's office amended value on parcel number RPA0076000077CA, North Park Limited Partnership to increase the value from \$1,531,441.00 to \$1,919,503.00 for the tax year 2014. Also to uphold the Assessor's office amended value on parcel number RPA0076000078AA, North Parke II Limited Partnership to increase the value from \$1,222,898.00 to \$1,591,265.00 for the tax year 2014.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Corbus, second by Wootan, to uphold the assessment by the Assessor's office on parcel number RP001520010070A, Ercell & Jeannine Hepworth in the amount of \$566,601.00 for the tax year 2014.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Corbus, second by Wootan, to uphold the assessment by the Assessor's office on parcel numbers RP000580010100A, RP000580010110A, and RP001520020030A, Ercell & Jeannine Hepworth in the amount of \$45,000.00 for lot 10 and \$61,490.00 for lot 11 both in block 1 of the Featherville Summer Homesites subdivision, and \$34,650.00 for lot 3 in block 2 of the Riverview subdivision for the tax year 2014.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Corbus, second by Wootan, to uphold the amended value by the Assessor's office on parcel number RP02N09E284860A, Alan and Rhonda Wickham in the amount of \$22,575 for the tax year 2014.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Hofer, second by Corbus, to recess as a Board of Equalization and reconvene as a Board of Commissioners.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN..... - **AYE**

Motion carried and so ordered.

Motion by Corbus, second by Hofer, to add to the agenda the appointment of Brandi Hissong to the Region 4 Behavioral Health Board.

HOFER - **AYE**

CORBUS - **AYE**
WOOTAN - **AYE**

Motion carried and so ordered.

Brandi Hissong appeared. Ms. Hissong was recommended to sit on the Region 4 Behavioral Health Board. She is currently working on her Masters Degree in social work and has a strong interest in mental health issues. She is doing an internship at Ascent Behavioral, which is an outpatient substance abuse treatment facility.

Motion by Corbus, second by Wootan, to approve the appointment of Brandi Hissong to the Region 4 Behavioral Health Board.

HOFER - **AYE**
CORBUS - **AYE**
WOOTAN - **AYE**

Motion carried and so ordered.

Motion by Hofer, second by Corbus, to approve the payroll for June 2014 in the amount of \$406,631.68.

HOFER -**AYE**
CORBUS -**AYE**
WOOTAN -**AYE**

Motion carried and so ordered.

Motion by Hofer, second by Wootan, to adjourn.

HOFER -**AYE**
CORBUS -**AYE**
WOOTAN -**AYE**

Motion carried and so ordered.

/S/ ALBERT HOFER, Chairman
ATTEST: /S/ BARBARA STEELE, Clerk