Madison County
Commissioner Meeting Minutes
June 29, 2026

Attendees:
Todd Smith, Commissioner Chairman
Brent Mendenhall, Commissioner
Dustin Parkinson, Commissioner
Kim Muir, County Clerk

ACTION ITEMS

Commissioner Parkinson made a motion to reconvene Board of Equalization at 8:30 a.m. Commissioner Mendenhall seconded and voting was unanimous. The motion passed

Mike Preston was sworn in as was Assessor Shawn Boice and Deputy Assessor Kevin Frank.

Woodbury Corporation Student Housing Appeals:

Mike Preston of Preston Consultants appeared on behalf of Woodbury Corporation to present appeals for the assessed values of five student housing properties. Mr. Preston explained that Woodbury Corporation had obtained independent broker opinions of value (BOVs) for all nine of its Rexburg student housing properties, with five properties indicating values below the current county assessments. He stated that the appeals were based on those broker opinions and the properties' actual 2025 operating income and expenses.

Mr. Preston reviewed three income valuation models comparing the county's assessment methodology with analyses using the properties' actual operating data. He indicated that while he generally agreed with the county's capitalization rate, he believed the county's treatment of operating expenses, land loading, and personal property loading resulted in values higher than market value. He recommended using the actual operating expenses and normalizing the expense ratios for two properties with unusually high operating costs. Mr. Preston concluded that, under each of his analyses, the indicated market values were below the current assessed values and requested the Board consider reducing the assessments.

The Board questioned Mr. Preston regarding capitalization rates, expense ratios, and the methodology used to arrive at the broker opinions of value before continuing its review of the appeals.

Following Mr. Preston's presentation, he provided revised recommended values for the five student housing properties based on his analysis using normalized operating expense ratios and the 2025 actual operating data. He explained that his recommendations differed from the original broker opinions of value due to adjustments made using the county's capitalization rate.

Assessor Shawn Boice and Deputy Assessor Kevin Frank presented the county's valuation methodology, explaining that the student housing properties were appraised using a mass appraisal approach based on market rents, occupancy data published by BYU-Idaho, and standardized expense ratios to ensure equitable treatment across all student housing properties. They noted that actual income and expense statements are rarely available and that the county relies on consistent market data for valuation. They also explained the use of the building residual technique, which allocates income and expenses between the land and improvements while maintaining the integrity of the county's land values.

The Assessor's Office reviewed the information submitted by the property owner and adjusted several of the original assessments after considering the operating statements provided. The office recommended revised assessed values for the five properties, stating that the revised values represented fair and equitable market values based on the county's appraisal methodology.

The Board discussed the differing appraisal approaches presented by Mr. Preston and the Assessor's Office, including the treatment of land, personal property, operating expenses, capitalization rates, and the use of actual operating data versus standardized market data. The commissioners asked questions regarding the methodologies used to ensure equitable assessments for all taxpayers before continuing deliberations on the appeals.

The Assessor's Office further explained its valuation methodology, stating that market rents, occupancy rates, land values, and expense ratios are derived from available market data and applied consistently to ensure fair and equitable assessments across all student housing properties. The Assessor noted that the building residual technique, which separates land and improvement values, is an accepted appraisal method endorsed by the Idaho State Tax Commission and is necessary to maintain consistent land values in a mass appraisal system.

Mr. Preston acknowledged that the primary disagreement was not with the capitalization rate or projected income, but with the county's treatment of operating expenses through the building residual technique. He maintained that using actual operating expenses provides a more accurate representation of market value and expressed concern that allocating land and personal property expenses through the income model creates inconsistencies among similar properties.

The Board discussed the differences between the two valuation methods, including the use of market-derived data versus actual operating statements, vacancy rates, and expense calculations. The Assessor's Office recommended revised assessed values for the five properties based on additional information received during the appeal process, while maintaining that its methodology provided fair and equitable assessments. Mr. Preston requested copies of the Assessor's presentation for the record, which the Board agreed would be provided.

The commissioners thanked both Mr. Preston and the Assessor's Office for their professionalism and the cooperative manner in which the appeal had been presented. The Board then began deliberations on each property individually, with discussion focusing on the differences between reported vacancy rates and the market data used by the Assessor's Office.

The Assessor's Office explained that the building residual technique is an accepted appraisal methodology approved by the Idaho State Tax Commission and is used to separate land and improvement values while ensuring fair and equitable assessments across similar properties. Mr. Preston reiterated that the taxpayer's primary disagreement was with the treatment of operating expenses and the inclusion of land and personal property expenses in the income approach, rather than with the capitalization rate or projected income.

Following discussion, the Board determined that the Assessor's methodology was supported by the available market data and state appraisal standards. The commissioners considered each property appeal individually.

- **Alpine Chalet:** Commissioner Mendenhall made a motion to uphold the Assessor's value of **$7,502,000**. Commissioner Parkinson seconded. Voting was unanimous, and the motion carried.
- **Somerset:** Commissioner Parkinson made a motion to uphold the Assessor's value of **$9,400,600**. Commissioner Mendenhall seconded. Voting was unanimous, and the motion carried.
- **Georgetown:** Commissioner Mendenhall made a motion to approve the Assessor's revised value of **$2,424,300**. Commissioner Parkinson seconded. Voting was unanimous, and the motion carried.
- **Rockland:** Commissioner Parkinson made a motion to approve the Assessor's revised value of **$8,588,700**. Commissioner Mendenhall seconded. Voting was unanimous, and the motion carried.
- **Birch Plaza:** Commissioner Mendenhall made a motion to approve the Assessor's revised value of **$13,309,200**. Commissioner Parkinson seconded. Voting was unanimous, and the motion carried.

Commissioner Mendenhall stated he could not see a solid basis for the value the broker was placing on the properties.

The Board directed the Assessor's Office to provide Mr. Preston with the final valuation determinations and a copy of the presentation used during the hearing. The commissioners thanked Mr. Preston and the Assessor's Office for their professionalism and cooperation throughout the appeal process.

Following completion of the Board of Equalization business, Commissioner Parkinson made a motion to adjourn the 2026 Board of Equalization at 9:48 a.m. Commissioner Mendenhall on seconded. Voting was unanimous, and the motion carried. The Board of Equalization adjourned, and the Commissioners reconvened the regular County Commission meeting.

After review and discussion, Commissioner Parkinson made a motion approve the Agreement with Neumo, as vetted by legal counsel. This is for online recorded document look ups. Commissioner Mendenhall seconded and voting was unanimous. The motion passed.

After review and discussion, Commissioner Parkinson made a motion to approve the BambooHR Agreement as vetted by legal counsel and IT and authorize the chairman to sign digitally when prepared. This Commissioner Mendenhall seconded and voting was unanimous. The motion passed.

After review and discussion, Commissioner Mendenhall made a motion to approve the consulting contract with Brett Hill. He will extract the CAI data so the County has access to their information. Commissioner Parkinson seconded and voting was unanimous. The motion passed.

Commissioner Parkinson made a motion to adjourn County Commission Meeting at 10:19 a.m. Commissioner Mendenhall seconded and voting was unanimous. The motion passed.

Approved:
Todd Smith, Commissioner
Brent Mendenhall, Commissioner
Dustin Parkinson, Commissioner

Attest:
Kim Muir, County Clerk