

BEFORE THE STATE BOARD OF EQUALIZATION
FOR THE STATE OF WYOMING

IN THE MATTER OF THE EXAMINATION)	
OF THE PROPERTY TAX VALUATION OF)	Docket No. 2024-10
TETON COUNTY PARCEL ID NUMBER)	
42162740402500)	

EXAMINATION FINDINGS AND ORDER

THIS MATTER comes before the Wyoming State Board of Equalization following the Parties’ submissions related to S & B Irrevocable Trust’s (Trust’s) Request for Examination of Teton County Assessor Melissa Shinkle’s (Assessor’s) 2021 through 2023 valuations of Trust’s Teton County land, on which there is a residential improvement. Having reviewed the submissions, as well as the ongoing Teton County Board appeal and materials from past appeals before the Teton County Board of Equalization (County Board), the Board finds and orders as follows:

I. Introduction

1. The Board’s “examination” authority is set forth in Wyoming Statutes section 39-11-102.1(c)(x) (2023):

In addition, the board shall:

(x) Carefully examine into all cases where it is alleged that property subject to taxation has not been assessed or has been fraudulently, or unequally assessed, or the law in any manner evaded or violated, and cause to be instituted proceedings which will remedy improper or negligent administration of the tax laws of the stated. Except for allegations based in fraud, any request for relief under this paragraph shall be filed within five (5) years from the date the taxes were paid or should have been paid;

2. The Board’s examination authority does not exist as a super-appeal right, duplicating or extending a taxpayer’s limited appellate opportunities pursuant to Wyoming Statutes section 39-13-109(b)(i) (2023). Rather, the Board’s examination authority is part of the Board’s “regulatory” function, by which it ensures Wyoming’s assessors are properly and uniformly valuing properties. *See Exxon Corp. v. Bd. of Cnty. Comm’rs, Sublette Cnty.*, 987 P.2d 158, 163-64 (Wyo. 1999); *Solvay Chemicals, Inc. v. Dep’t of Revenue*, 2018 WY 124, ¶ 21, 430 P.3d 295, 301 (Wyo. 2018).

3. The Wyoming Supreme Court considered the procedural requirements of a Board examination in the dispute between Exxon and Sublette County, cited in the previous paragraph. The Court ruled that the Board may conduct examinations through procedures it finds are adequate, and it was not required to conduct a contested case hearing. *In re Bd. of Cnty. Comm'rs, Sublette Cnty.*, 2001 WY 91, ¶¶ 15-18, 33 P.3d 107, 113-14 (Wyo. 2001).

4. Because Trust's Examination request parallels, in-part, Trust's appeal to the County Board with respect to 2023, we directed the parties to submit evidence and written explanations of their positions, rather than conduct a contested case hearing. Further, personal animus toward Assessor and her predecessor underlie Trust's Examination request, and it is unclear whether Trust actually alleges fraud, unequal assessment, or an evasion of Wyoming's tax law. *See supra* ¶ 1. Trust states that it does not seek a contested case hearing. (Verified State., Doc., & Auth., p. 10).

Summary of proceedings

5. Although Trust has pursued various appeals from the valuation of its Teton County property over the last ten plus years, it has not appealed the land valuations for 2021 through 2023. Trust's present Examination request centers on Assessor's valuation of Trust's Teton County land, upon which there is a residence. For context, we summarize related proceedings to avoid confusion and assist understanding of our findings.

A) Trust filed a document on September 26, 2023 styled as "Re: Appeal/Intervention re Teton County Failure to Provide Notice of Date & Time of Property Valuation/Tax Hearing and Failure to Statistically Evidence Valuation." (Underlining in original).¹

B) The document challenged numerous assessment decisions, Assessor's Office conduct, and alleged omissions dating back to 2020, but more recently, a failure to give notice of a hearing for its 2023 tax appeal before the County Board. The State Board was unable to discern precisely what remedy Trust sought, so it requested that Trust select between two statutory remedies: an appeal pursuant to Wyo. Stat. Ann. § 39-13-109(b), or an "Examination" pursuant to Wyo. Stat. Ann. § 39-11-102.1(c)(x). *See* State Bd. lttr. to Trust dated Oct. 3, 2023.

C) Trust responded that it appealed the County Board's dismissal of its appeal for failure to give notice of the date and time of the hearing, which Trust did not attend,

¹ Trust's submissions to the Board, and to the County Board below, are all legibly hand-written.

and it separately requested an examination of Assessor's alleged "improper/fraudulent" assessment practices dating back years. *See* Trust response dated Oct. 10, 2023.

D) The Board docketed each proceeding separately, the examination under Docket No. 2023-36, and the appeal under Docket No. 2023-41. The Board issued an "Examination Procedure Order," requiring alternating submissions in support of, and in response to, Trust's numerous allegations of fraudulent, neglectful, dilatory, and illegal administration of the Wyoming's tax appraisal guidelines. Exam. Proc. Order dated Oct. 25, 2023.

E) Seminal to all of Trust's complaints, it alleged that Assessor and her predecessors miss-appraised Trust's Jackson, Wyoming, residence over approximately ten years. Trust, however, did not challenge the assessment of the underlying land component of the assessments through 2023. Trust ultimately sought a refund of \$7,383 for failure to attribute 30% obsolescence to residential improvements (claiming a substandard deck and roof reduced the residential property's taxable value). Trust's "Affidavit and Documents and Authorities in Support of Examination," filed Nov. 7, 2023.

F) Without conceding error, Assessor agreed to pay the sum of \$7,383 to settle the dispute. Assessor's Amended Response and Request to Lift Stay, filed Jan. 12, 2024.

G) The Board issued Examination Findings and [an] Order drawing no conclusions in light of the parties' settlement. *In re S & B Irrevocable Trust*, Bd. Exam. Findings and Order, March 12, 2024.

H) Following Trust's simultaneous appeal to the State Board, challenging the County Board's dismissal as a result of Trust's failure to attend the hearing, the State Board remanded. *See supra* ¶ 5B thru 5D. The Board determined that the County Board failed to make required findings in support of dismissal per the rules applicable for county board of equalization appeals. *In re Appeal of S & B Irrevocable Trust*, Doc. No. 2023-41 (Wyo. St. Bd. of Equalization, April 16, 2024); *see* Rules, Wyo. Bd. of Equalization, Ch. 7 § 19 (2021). The County Board conducted a new hearing on September 4, 2024, which Trust's Trustee attended.

I) The County Board issued its decision on September 23, 2024, affirming Assessor's 2023 assessment of Trust's property. The hearing was anything but orthodox due to the Trust's Trustee, Ms. Susan Frankewich (hereafter Trustee), who limited her involvement to delivery of materials and presentation of a brief statement. The County Board apparently did not receive evidence, because Trustee did not stay and participate

beyond her limited comments. *See In re Matter of the Appeal of S & B Irrevocable Trust*, (Teton County Board, Sept. 23, 2024).²

J) The County Board conducted a subsequent hearing on September 4 to review Trust's 2024 appeal of Assessor's valuation of the same property, on the same day as the hearing for Trust's 2023 appeal. *In re Matter of the Appeal of S & B Irrevocable Trust*, (Teton County Board, Sept. 23, 2024). As with the first hearing, Trustee briefly attended, submitted materials, and made a "statement." *Id.* The County Board, for reasons similar to the 2023 appeal, affirmed the Assessor's valuation on September 23, 2024. *Id.*

K) Trust, for tax years 2021 through 2023, requested a second examination in support of its claim of fraudulent and improper assessment of its residential property, *this time claiming that Assessor improperly valued the land underlying its residence*. Trust's Mot. for Exam. dated April 25, 2024 (the basis for the present Examination Findings and Order). Trust alleged that artificial intelligence allowed it to discover Assessor's malfeasance or fraudulent assessment practice. *Id.* As with previous allegations, Trust alleged Assessor's chronic deception and concealment when responding to Trust's requests for information. *Id.* Trust demands a refund of \$3,579.83 for overvaluation of its land between 2021 and 2023. *Id.*

L) The Board issued an Examination Procedure Order on May 30, 2024, directing the parties to submit materials in support of, and/or in response to, Trust's allegations to be examined.

M) Trust submitted materials and documents on June 10, 2024. Verified Statement, Doc. and Auth. in Support of Examination of Property.

N) Assessor submitted her Response and a Motion for Stay on July 10, 2024. Assessor argued that the Examination should be stayed because the County Board was scheduled to conduct hearings on Trust's appeals on September 4, 2024. *Supra* ¶ 5 H thru J. Assessor argued that the Examination should not occur until after the County Board had completed its hearings.

O) The Board rejected Assessor's motion for a stay. However, because Trust's examination request overlapped with pending appeals before the County Board, the Board directed that it would not complete its examination until hearing from the parties following the County Board's September 4 proceedings. It offered the parties an opportunity to supplement their submissions following the County Board's decisions as to Trust's 2023 appeal. *See supra* ¶ 5 H thru J. Trust then asked that its 2024 property valuation be included with the ongoing examination of the underlying land's 2021-2023 valuations.

² Because there is yet no appeal from this proceeding following remand and a new hearing, our information is obtained indirectly from the parties, through their written submissions as part of the Examination.

P) The parties each submitted additional materials to the State Board following the County Board's decisions, which the Board will include and consider as part of its examination.

II. Trust's allegations and evidence; Assessor's response

6. Trust's overlapping allegations that Assessor improperly assessed the land underlying its Jackson residential property in years 2021 through 2023 (and then seeking to add 2024 to the investigation), are as follows³:

a. That Trustee discovered Assessor's misappraisals and errors through the use of artificial intelligence⁴, arguing that Assessor somehow concealed valuation evidence that, now revealed, undermines and proves her assessments to be illegal;

b. Assessor increased the assessed value of Trust's land from \$548,000 to over \$880,000 in 2021, 2022 and 2023 without the benefit of sales in the neighborhood, and Assessor admitted that no sales of comparable properties existed that support her valuation increase. (Examination Request, p. 2; Verified State., Doc., & Auth.);

c. Assessor exercised "professional judgment" and re-stratified Neighborhood 2010, locating five property sales that included residential improvements. In so doing, Assessor ignored more appropriate comparable sales. (Examination Request, p. 3);

d. Assessor ignored 2020 lot sales located in the same area as Trust's residence, which she did not disclose. (Examination Request, p. 3; Supplement to Mot. for Examination);

e. Assessor concealed comparable land sales in the "same relevant zone" as Trust's property, averaging a price of "\$250,000 (or more) less than the valuation by the Assessor." (Supplement to Mot., at pp.1-2);

f. Notwithstanding that Assessor explained that several of the identified sales were not valid open market sales, Trustee interpreted Assessor's disclosed materials as an admission of wrongdoing. (Attachment to Supplement to Mot.);

g. The data received from Assessor does not support the assessed land value at \$882,000, relative to a comparable sale value of \$717,000, and "concealed" sales

³ Omitted from our examination are Trust's references to years prior to 2021, wherein it complains of a history of misappraisal and concealment on Assessor's part.

⁴ Trust's representative repeats that only through artificial intelligence was Trust able to discover Assessor's inappropriate valuation, an apparent basis to justify Trust's failure to appeal. (Examination Request at 3-4; Verified State., Doc., & Auth., p. 4).

“completely undermine the valuation as grossly excessive.” (Verified State., Doc., & Auth., pp. 6-7);

h. Assessor offers “no explanation of [her] irrational valuation of the land/lot at \$882,000.” (Verified State., Doc., & Auth., p. 7);

7. In its Supplemental Statement in Support of Examination, Trustee recounts how Assessor modified her valuation of lots in three neighborhood groupings, distinguishing them based on several criteria, including each’s view of the Teton Mountains.⁵ (Supp. Statement in Supp., pp. 1-5). She continually faults Assessor for not providing an explanation of her valuation decisions related to the lots, until Assessor responded to the examination request. *Id.* However, Trust’s previous appeals did not challenge the land’s value, a point Trust ignores in its allegations of wrongdoing. Trust then alleges that Assessor violated the law because of the manner she grouped the lots in her neighborhood and surrounding lots, also repeating its allegation of concealment. *Id.* at p. 5. Trust does not articulate particularly how Assessor violated the law, summarily concluding her valuations are facially excessive.

8. Trust, also in its Supplemental Statement, criticized the hearings conducted before the Teton County Board on September 4, regarding Trust’s tax appeals for 2023 and 2024. (Supp. Statement in Supp., pp. 6-9). Trustee’s summary of the hearing’s conduct, compared to Assessor’s, ignored her own failure to participate. Trustee declined to offer evidence, opting instead to hand the County Board written materials, and then gave a brief argumentative statement.⁶ (Assessor’s Supp. Submittal, Ex. F, Teton Cnty. Bd. decision). Trustee also criticized procedural steps and drew negative conclusions about the hearing officer’s competence and County Board’s attentiveness. (Supp. Statement in Supp., pp. 6-9).

9. Trust, aside from its allegations of concealment and fraud, claims that Assessor had no basis to increase its land’s value from \$548,000, the approximate valuation of the land before 2021. *Id.* at 9. Trust asks the Board to order that the taxable values of its land for 2021 through 2023 remain at \$548,000.

10. Assessor denies wrongdoing and, in response, has supplied the Board with valuation materials for each of the three years at issue (2021-24), as well as evidence offered in hearings held before the County Board. This includes exhibits offered in Trust’s 2021

⁵ The Teton Mountain range in Teton County, proximity to that range, and views of that range, are considerations in how local properties are valued.

⁶ The County Board proceedings below are not on appeal to this Board, although one of the hearings on September 4 occurred following remand as a result of the County Board’s improvident dismissal of Trust’s 2023 property valuation. *See supra* ¶ 5 H. The State Board, nevertheless, allowed the parties to supplement their submissions to this Board following the County Board’s rulings on those hearings below, to offer this Board the benefit of those county board proceedings. *See supra* ¶ 5 O.

appeal, which Trust did not attend.⁷ Also included, Assessor noted County Board proceedings recently conducted on September 4, 2024, providing exhibits offered and all materials she relied upon to assess Trust's land. Assessor attached the County Board's decisions for each appeal addressed on September 4, 2024, and decided on September 23. (Assessor's Supp. Submittal, Exs. F & H).

III. Findings

11. From the documents, Trust infers that Assessor has aggressively overvalued Trust's land and deliberately concealed the basis of that overvaluation each year. These allegations are fairly similar to allegations about previous assessments, and Assessor's predecessors. *See supra* ¶¶ 5 A thru G. Trust's allegations are not, through the documents supplied, verified or even supported. From its written submissions, Trust simply disagrees with Assessor's judgment and actions. On several points, Trustee apparently does not understand Wyoming's mass-appraisal system or the appraisal discretion assessors enjoy. Only through considerable additional evidence, subject to cross examination in a trial-type process, could Trust's allegations be confirmed. But, Trust has declined the opportunity for a hearing. *Supra* ¶ 4.

12. For example, Trust asserted the following in its response to Assessor's Response and Motion for Stay, directing the Board to materials Assessor had provided Trust in support of her valuation decisions:

To escape overvaluation, the Assessor in 2024 appeal documents seeks to "disqualify" the lower land sales claiming a bizarre "not open market" with no explanation. There is no statutory definition of "not open market" and the Trust has twice requested explanation (along with other omitted 2024 appeal items) to no avail (See, Ex 9)[.]

Here, Trust alleges that Assessor, once she provided earlier concealed information, improperly sought to discount the quality of those revealed sales by invalidating them as "not open market." Trust then faults Assessor for the absence of regulatory or statutory definitions, and for her office's failure to explain how sales might be invalid as non-open market.

13. Addressing each of Trust's summarized allegations in paragraphs 6-9, we explain why Trust has not demonstrated a fraudulent, unequal, evasive, or improper taxation of Trust's Teton County land in 2021 through 2023.

⁷ Trust's representative indicates that she did not attend the 2021 hearing before the Teton County Board of Equalization due to medical events. (Resp. to Assessor's Resp., p. 3).

a. Discovery of Assessor's improper taxation through artificial intelligence: Trust's premise that artificial intelligence was necessary to uncover Assessor's improper taxation is entirely unsupported and unexplained. Trust asks us to accept as true this notion without more than the claim itself. Moreover, Trust's claim seems an effort to justify its failure to timely appeal the valuation of its land.

b. That Assessor raised Trust's land value without the benefit of sales: Here, Trust refers to communications dating back well before 2021, during which Trust claims that requests for information went unanswered. (Verified State.). Trust received sales information from Assessor, allegedly only as a result of the Examination. *Id.* Regardless, Assessor submitted to the Board valuation materials for the neighborhood within which Trust's land is located, and an explanation of how she arrived at her valuation.

One point Trust relies upon is the timing of sales used to value, and she complains that sales did not occur during a year in question. Yet, this is not unusual, and Assessors often may look back multiple years to find valid sales in a particular Land Economic Area (LEA) or neighborhood, and they employ methods such as "time-trending" to account for the passage of time between past sales and a present year's valuation. *See* Rules, Wyo. Dep't of Revenue, Ch. 9 § 6(a)(i)(B) (2016). Assessors may also use similar neighborhood valuation market adjustments as a surrogate to value an LEA that lacks sales in a particular year. *Id.* at § 6(a)(i)(D).

Trust, not likely familiar with such appraisal tools, assumed previous year sales were improper. Neither is it problematic that no *vacant* lot sales occurred. Assessors calculate land values of properties with residential structures through "abstraction," as many neighborhoods lack vacant lot sales. *Id.* at § 5(b). Once the value of improvements is determined, the land value is determinable by subtracting an improvement's value from the overall sales price, and adjusting for various factors.

Because Trust, for various reasons, did not attend hearings on appeals it filed with the County Board, Trustee has not learned how mass appraisal works, and this Examination Report touches upon mass appraisal features commonly described in such hearings.

But, one other rather substantial factor may have played a role in the change to Trust's land value. Fairly well documented, Teton County residential property values rose rapidly during the COVID 19 pandemic (approximately 2020 through 2023) due to higher demand for rural properties. Failing to capture this appreciation of land values in Teton County's taxable valuations might have resulted in sanctions against Assessor for failure to perform her duties as required by law. *See generally*, Rules, Wyo. State Bd. of Equalization, Ch. 5 (2021) (describing Board's monitoring of Assessor valuation performance). In any event, materials submitted do not reveal fraud, improper taxation, or any other basis on which to order the relief sought.

c. Assessor re-stratified groupings that included Trust's property and exercised improper judgment as to comparable sales used: As with Trust's many allegations, this conclusory allegation lacks specific evidence or an explanation that might support it. Much of the mass appraisal process includes judgment as to a property's inclusion within a stratified neighborhood, and claims that a property is dissimilar from others within a grouping are not uncommon. *In re Appeal of the Teton Cnty. Assessor*, 2019 WY 2165526, Doc. No. 2018-52, ** 2-3, 6-8, ¶¶ 11-15, 31-36 (Wyo. St. Bd. of Equalization, May 6, 2019) (Taxpayer's challenge of assessor's reference to a neighborhood to develop a market adjustment factor). This is the Assessor's province and, unless a grouping is absurdly stratified and formed, neither a county board nor this Board should find a violation of appraisal standards.

Appraisal judgment affords deference to Assessors, and only clear errors in judgment will merit correction. Trust demands that the land's value return to pre-pandemic levels (prior to 2021). Such would be highly unusual given the overall uptick of the county's residential valuations, which this Board reviews each year, and which must fall within a statistical range of comparable property sales. These statistical measures include the "level of appraisal" and COD ("coefficient of dispersion"). *See Rules*, Wyo. Dep't of Revenue, Ch. 9 § 6 (2016). Assessors are also required to ensure that the valuation of sold properties within a county do not differ more than five percent from the valuation of unsold properties. *See Rules*, Wyo. State Bd. of Equalization, Ch. 5 § 6(a)(ii)(F) (2021).

d. Assessor ignored 2020 sales: Although Trustee mischaracterizes Assessor's actions, Assessor explained that several sales were not used because they were not open market, or were for other reasons deemed not valid. Appraisal practice requires that Assessors examine all sales to determine whether they may be used to analyze the fair market value of properties, invalidating sales for numerous reasons. Sales may be discarded because they are transactions between family members, because they are distressed sales (i.e. foreclosures or bankruptcy sales), because a seller is otherwise under undue compulsion to sell, and for other reasons. Trust's submitted materials do not demonstrate that Assessor improperly exercised her judgment with respect to sales excluded from her valuation analysis.

e. Assessor concealed sales from Trust: For the reasons heretofore stated, we do not agree.

f. Assessor admitted to wrongdoing in the manner in which she omitted sales: The documents submitted do not indicate an admission of wrongdoing.

g. The data received from Assessor indicates an overvaluation: Trust's representative misinterprets, or misunderstands, the appraisal materials. For the reasons stated heretofore, Assessor's administration of the Computer Assisted Mass Appraisal

(CAMA) system and the comparable sales method to value Trust's land over the years in question do not reveal an overvaluation. Trust's disagreement with Assessor's determination that land values in the applicable neighborhood increased rapidly is not actionable based on the materials reviewed. Trustee incorrectly presumes that land values had not rapidly increased. The mass appraisal metrics applied to measure and assure market value and uniformity within the relevant neighborhood or LEA indicate that the values indeed have increased. Trustee should familiarize herself with these metrics, including obtaining guidance from the Assessor and Department's rules.

h. Assessor failed to explain the land's value at \$882,000: The merit of this allegation is not verifiable from the materials, nor is it relevant to the Examination process. This is not an allegation of fraud or improper taxation. Moreover, Trustee has not participated, or not fully participated, in hearings held before the Teton County Board, and so bears at least some responsibility for not understanding the valuation of its land. Trust should fully exhaust all appellate remedies and processes before again resorting to a request for Examination.

14. In conclusion, Trust's submitted materials are not objectively persuasive evidence of overvaluation or an improper valuation, nor has Trust revealed official conduct for which an Examination may be held. We shall **deny** all remedies sought in Trust's Request for Examination of the tax valuations of trust's land for years 2021 through 2023, and all submissions subsequent, including Trust's effort to add tax year 2024.

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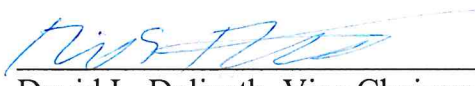
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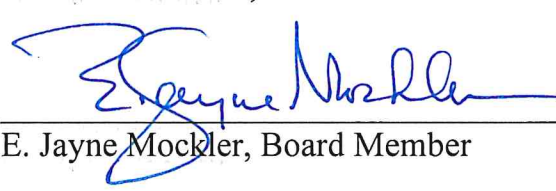
15. **THEREFORE**, it is hereby ordered that, as explained in this Report, Trust's request for Examination is complete, that Trust has offered no evidence or materials justifying revaluation of its land or tax refunds stemming from the assessment of its land between 2021 through 2023, and that Trust is entitled to no other relief.

DATED this 20 day of November 2024.

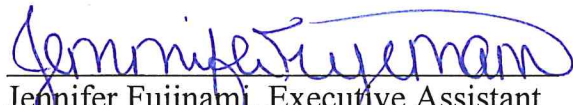
STATE BOARD OF EQUALIZATION


Martin L. Hardsocg, Chairman


David L. Delicath, Vice Chairman


E. Jayne Mockler, Board Member

ATTEST:

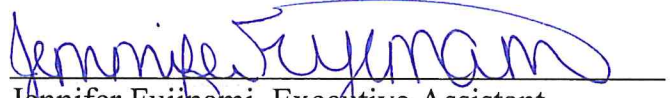

Jennifer Fujinami, Executive Assistant

CERTIFICATE OF SERVICE

I certify that on the 20 day of November 2024, I served the foregoing **EXAMINATION FINDINGS AND ORDER**, by placing a true and correct copy thereof in the United States Mail, postage prepaid, and properly addressed to:

Susan Frankewich, Trustee
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cc: Ken Guille, Department of Revenue