

**BOISE, FRIDAY, MAY 9, 2025, AT 8:50 A.M.**

**IN THE SUPREME COURT OF THE STATE OF IDAHO**

**EAST SIDE HIGHWAY DISTRICT,** )  
**LAKES HIGHWAY DISTRICT,** )  
**POST FALLS HIGHWAY DISTRICT,** )  
**and WORLEY HIGHWAY DISTRICT,** )  
**political subdivisions of the State of** )  
**Idaho,** )

**Petitioners-Respondents,** )

**v.** )

**KOOTENAI COUNTY, an Idaho** )  
**municipal corporation; and STEVEN D.** )  
**MATHESON, in his capacity as** )  
**Treasurer for Kootenai County, Idaho,** )

**Respondents-Appellants.** )

**Docket No. 51332**

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**CITY OF POST FALLS, an Idaho** )  
**municipal corporation, and CITY OF** )  
**COEUR D’ALENE, an Idaho municipal** )  
**corporation,** )

**Plaintiffs-Respondents,** )

**v.** )

**KOOTENAI COUNTY, a body** )  
**corporate and political subdivision of** )  
**the State of Idaho; STEVEN D.** )  
**MATHESON, in his official capacity as** )  
**Treasurer and Ex Officio Tax Collector** )  
**of Kootenai County; and JENNIFER** )  
**J. LOCKE, in her official capacity as** )  
**Ex Officio Auditor of Kootenai County,** )

**Defendants-Appellants.** )

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Appeal from the District Court of the First Judicial District of the State of Idaho,  
Kootenai County. Richard S. Christensen, District Judge.

Patrick M. Braden, Kootenai County Prosecutor's Office, Civil Division, attorney for Defendants-Appellants.

James, Vernon, & Weeks, P.A., Coeur d'Alene, attorneys for Highway Districts Petitioners-Respondents.

Smith + Malek, Coeur d'Alene; Riverside Law Group, PLLC, Spokane, attorneys for City of Post Falls and City of Coeur d'Alene Plaintiffs-Respondents.

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When property owners fail to pay their property taxes, they are assessed late charges and interest. This case is about which government entities are entitled to these funds. Kootenai County argues that counties get to keep these additional funds to compensate for collection costs. Cities and Highway Districts, taxing districts within Kootenai County, argue they receive a proportionate share. In 2022, Steven Matheson, Kootenai County Treasurer, informed the taxing districts of Kootenai County that the County would be retaining the interest and late charges to cover collection costs.

Taxing districts of Kootenai County sued, arguing that interest and late charges must be apportioned among the taxing districts. The district court agreed and issued declaratory relief and a writ of mandamus requiring Matheson to apportion these charges among the taxing districts. Kootenai County and Matheson appeal.