

FREESTONE COUNTY AGRICULTURAL ADVISORY BOARD

Minutes of March 13, 2023

Meeting # 0011

The Freestone County Agricultural Advisory Board met at Sam's Restaurant, 425 East I-45, Fairfield, Texas. Members present were Scott Holmes, Frank Bonner, Barry Capps and Keith Hardwick. Representing the appraisal district were Don Awalt, Chief Appraiser; Jason Moore, Deputy Chief Appraiser; and Carol Clark, Administrative Assistant.

After eating breakfast, the meeting was called to order at 7:55 a.m. and Mr. Awalt declared that a quorum was present. The minutes from March 23, 2022 were read and considered by the board. Mr. Capps made a motion to approve the minutes as presented. Mr. Holmes seconded the motion. Motion carried.

Mr. Awalt stated that these preliminary standards had been the same for years and no changes were made to them. Mr. Moore then presented the district's Agricultural Use Intensity Standards to the board for their consideration. Pointing out the Use Standard on page twenty-four Mr. Moore stated that the recommended stocking rate per animal unit for improved pasture is 5 – 7 acres for all three of Freestone County Eco-Regions; Post Oak Savannah, East Texas Timberlands, and Blackland Prairie. Native pasture has a recommended stocking rate per animal unit of seven to twelve acres for all three standards by Eco-Region.

Mr. Moore reviewed the typical management practices for hayland which may include fertilizing, cutting, bailing, hauling, feeding, and/or marketing. The table showed the typical expectations per acre for hay production based on a typical year. 1 – 2 typical cuttings per year for 1 – 2 round and 20 – 40 square bales for Post Oak Savannah. 1 – 2 cuttings of 1 – 2 round and 20 – 40 square bales for Blackland Prairie, and 1 – 2 cuttings of 1 – 2 round and 20 – 40 square bales for East Texas Timberland.

Mr. Moore continued his presentation by reviewing the use standards for orchards and croplands. The table showed the irrigated peach trees spaced at 18-24 feet, 100 trees per acre producing 30-40 bushels. Dry land peaches spaced at 24-30 feet, with 50-75 trees per acre yielding 24-30 bushels.

Although the intensity standards for the raising of fish or fish products are included in the district's manual, Mr. Moore stated that there were no fisheries in the county at this time.

The use standards for poultry production is based on Sanderson Farms; the typical houses of 20,000 to 25,000 square feet in area require a minimum of ten acres per chicken house.

The intensity standard for beekeeping is set by the State of Texas. The table showed the intensity standards by tract size beginning at a minimum of five acres and six hives, and a maximum of twenty acres with twelve hives.

The typical wildlife management practices still have the same requirements. Mr. Awalt explained to the board that sometimes large properties are sold and split up by the property owner; they may keep the wildlife exemption to be included in their deed restrictions for the new owners who will provide the annual updates to the district.

Mr. Awalt informed the board of a large purchase that was made recently in the county. The property owner leased the land for grazing cattle, splitting and selling at least ten or fifteen acres each. New owners will have the exemption included in their deed restrictions unless they build a fence around their property, then they will have to submit their own ag application.

Mr. Bonner asked Mr. Awalt to explain how the sales from the property would affect the values of the other properties in the area. Mr. Awalt explained that this situation was unique as the ag exemption was already in place when the property was purchased. He added that he would create a pricing code for that property without affecting the surrounding properties.

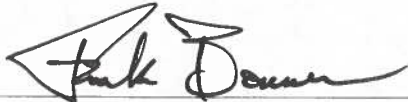
Mr. Holmes asked Mr. Awalt to state the requirements to maintain the wildlife exemption. Mr. Awalt explained that the property owner would have to engage in at least three out of seven management practices to maintain the exemption. The board made no changes to the agricultural intensity standards.

Mr. Awalt reviewed the Texas Rural Land Value Trends 2021 pointing out the tables showing that the district is representative of the rental ranges typical for Region 7. Good dry Cropland had a rental range of \$40 to \$70. Marginal dry cropland had a rental range of \$30 to \$50. Mr. Awalt informed the board that the district was using \$30 rental range for orchards and croplands. Wooded native pasture had a rental range of \$7 to \$15 with the district using \$12 per acre. Mr. Awalt added that the wooded pasture was the highest selling land on the recreational market. Mr. Hardwick asked Mr. Awalt to explain how a property owner would be affected if they no longer needed the ag exemption. Mr. Awalt responded that they would pay higher taxes without the benefit of the exemption but there would be no rollback taxes unless they changed the use of the property. During the last legislative session, the rollback years changed from five to three years.

Reviewing the last page of the Agricultural Intensity Standards there are 455,873 productivity acres, 11,317 productivity parcels, a fence life of 18 years at \$2.96 cost per foot. This is calculated from an average size of 40 acres which is included on the front page of this report. The 18 years of life expectancy for fencing is the same as last year. The board agreed that \$2.96 per linear foot is average. The capitalization rate for ag use is 10 percent.

The average net lease price for orchard and crop land is \$25.880 per acre after all operating expenses and ad valorem taxes are paid. Pasture land had an average lease amount based on a five year average of \$20 with \$-6.78 for fences and an average net lease price of \$11.321. Native pasture had an average lease amount of \$12 and a hunting income of \$7.50. The net income to land was \$10.883. Wooded pasture was 80 percent of native pasture capacity based on dry matter yield of \$87.06 per acre. Mr. Awalt stated to the board that although the state does not recognize wooded pastures for grazing this was normal practice in rural areas. He added that he had not received the timber calculations from the state at this time. The board made no changes to the assumptions to be used in 2023 "ag value" calculations.

There being no further business or public comment, Mr. Capps made a motion to adjourn the meeting at 8:30 a.m. Mr. Holmes seconded the motion. Motion carried.



Frank Bonner



Brady Johnson



Barry Capps



Scott Holmes



Keith Hardwick