

FREESTONE COUNTY AGRICULTURAL ADVISORY BOARD

Minutes of March 21, 2017

Meeting # 0005

The Freestone County Agricultural Advisory Board met at Sam's Restaurant, 425 East I-45, Fairfield, Texas. Members present were Frank Bonner, Robert Chesnut, Tim Cooper, Keith Hardwick and Marles Pace. Representing the appraisal district were Bud Black, Chief Appraiser; Don Awalt, Deputy Chief Appraiser; and Jason Moore, Land Appraiser. Also appraisal district employees present were Dan Ralstin, Sherry Nichols, Joe Barrow, Bobbi Shepherd and Carol Clark, Administrative Assistant.

After eating breakfast, the meeting was called to order at 7:50 a.m. and Mr. Black declared that a quorum was present. The minutes from March 22, 2016 were read and considered by the Board. Mr. Pace made a motion to approve the minutes as presented. Mr. Bonner seconded the motion and motion carried unanimously.

Mr. Black then presented FCAD's Agricultural Use Intensity Standards to the board for their consideration. Mr. Black stated that these standards were the same as those approved by the board last year and no changes had been made to them. He noted that the standards did have provisions for lessened agricultural activity on properties when drought and other natural conditions require reduced stocking rates for livestock and crops. While chicken houses have increased for agricultural production, beekeeping has been added to the list of qualifying agricultural activities. Mr. Black reminded the board that the district uses the intensity standards set by the state to determine the qualifications for agricultural use. The state has set a minimum of 5 acres and a maximum of 20 acres for beekeeping to qualify.

Mr. Black briefly discussed with the board income and expense assumptions he used in the open space land calculation for 2017. Lease rate data for each agricultural use category are taken from Freestone Central Appraisal District's Farm and Ranch Surveys and from posted rates on USDA/NRCS websites. Hunting income may still be received by the district in a "per gun" format then converted to a "per acre" format. Hunting leases are typically found on native and wooded tracts, with a gross income of \$7.50 per acre in additional income to the land owner and \$750 per gun. Mr. Hardwick stated to the board that the Blackland Prairie eco-region was unlikely to receive hunting income and suggested that hunting income be omitted from the net income calculations but would be included in the other regions. Mr. Bonner made a motion to omit hunting income from the average lease price for Blackland Prairie. Mr. Hardwick seconded the motion. The motion carried.

Mr. Black discussed the 2017 open space land calculations briefly reviewing open space land cost schedule development pointing out the percentage of productivity factors with each of the three eco-regions. Mr. Black explained that the productivity value is calculated by dividing the average net income to land by the cap rate. Improved pastureland typically leased for \$20.00 per acre and native pasture leases for \$12.00 per acre; The NRCS Soil Survey reports that woodland grasses produce an average of 2,625 pounds per acre of grazing grasses as compared to an average of 3,282 pounds per acre for native rangeland grasses, indicating a productivity capability ratio for native/woodland of 80 percent. Mr. Bonner suggested to the board that 20 percent would be more accurate as pastureland for grazing. After a brief discussion, Mr. Bonner made a motion to accept 20 percent as a productivity capability ratio for pastureland used for grazing. Mr. Cooper seconded the motion. The motion carried.

Mr. Black also noted that the Post Oak Savannah was considered the most typical soil type and most typical environment for grazing operations, and that a factor was applied to the Blackland Prairie and East Texas Timberland portions of the county to account for the differences in animal grazing months. These factors were determined from the USDA Soil Survey Reports for Freestone County.


The productivity value for cropland and orchards is calculated at \$234.98 per acre, an increase of \$20.08 per acre as compared to the 2016 cost per acre of \$214.90. Survey data was used to determine the average lease price as the district found no leased cropland or orchards in Freestone County.

Mr. Black states to the board that the district relies upon the Property Tax Assistance Division for timber value calculations from the Property Tax Assistance Division. He stated that Freestone County has a limited amount of timber production and that not enough information was available to customize values for the county. PTAD gathers income/expense information from the East Texas timber producers annually. Mr. Moore the Land Appraiser reviews

the plans, and then exemptions are removed if the property no longer meets the requirements.

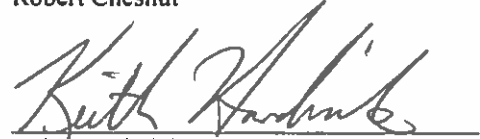
There being no further business or public comment, the meeting was adjourned at 9:15 a.m.

Frank Bonner



Robert Chesnut

Tim Cooper



Keith Hardwick



Marles Pace