

State Farmland Evaluation Advisory Committee

MEETING MINUTES

Tuesday, September 29, 2015, 10:30 a.m.,

Room 1000

Utah State Tax Commission Building
210 North 1950 West, Salt Lake City, Utah

Participating:

Robert Pero, Chair, State Farmland Evaluation Advisory Committee; Commissioner, Utah State Tax Commission

Dr. Donald L. Snyder, Professor and Associate Director, Utah Agricultural Experiment Station (UAES), Applied Economics Department, Utah State University; appointee of the President of Utah State University

Mr. Scott Ericson, Deputy Commissioner, Utah Department of Agriculture, appointee of the Commissioner of the State Department of Agriculture and Food

Mr. Rex Larsen, Larsen Farm Products, representative of the farming and ranching community, appointed by fellow committee members

Mr. Gregg Garff, Assessor, Duchesne County; appointee of the state County Assessors' Association - *Excused*

Mr. Sterling Brown, Vice President for Public Policy, Utah Farm Bureau Federation, ad hoc, non-voting member

Tax Commission Staff Present:

Michael Cragun, Commissioner, Utah State Tax Commission

Mr. Denny Lytle, Director, Property Tax Division (PTD), Utah Tax Commission (UTC)

Ms. Jennifer Condie, Assistant Division Director, PTD, UTC

Ms. Christa Johnson, Executive Assistant, Office of the Commission, UTC

Note: A copy of related materials and an audio recording of the meeting can be obtained from the Office of the Commission at 801-297-3901.

I. Call to Order

Commissioner Pero called the meeting to order at 10:38 a.m.

II. Introduction of Committee Members

Those who were present introduced themselves at the meeting into the oral record.

III. Open and Public Meetings Act training pursuant to Utah Code Annotated 52-4-104

Commissioner Cragun conducted the Open and Public Meetings Act training required under Utah Code Annotated 52-4-104.

Public Comment (members of the public wishing to address the Commissioners for up to three minutes on matters not related to a pending or reasonably imminent appeal to the Tax Commission)

Commissioner Pero noted that no one from the public wished to address the Committee.

IV. Approval of the 2014 State Farmland Evaluation Advisory Committee minutes of October 2, 2014.

MOTION: Mr. Ericson moved approval of the minutes. The motion passed unanimously.

V. Presentation of the 2015 draft Farmland Evaluation Report by Utah State University on the several classifications of land in agricultural use in the various areas of the state.

Dr. Snyder explained the changes in land values are recommended to Utah State Tax Commission for the 2015 year as a result of data representing the 2014 production year. The changes are summarized according to land use as follows: Irrigated Cropland- Irrigated Cropland values were mixed due to declines in wheat prices received and increases in the alfalfa prices received by producers. Due to the preponderance of alfalfa acreage in most counties in the state, any change in hay returns have a large impact on the average county land values. Land value decreases occurred in Box Elder, Davis, San Juan, and Salt Lake counties. The decline in Davis was approximately 4.5%. The greatest increases in land values occurred in Carbon, Kane, Morgan, Summit, Rich, Piute, Wasatch, Wayne, and Garfield counties. These counties saw an average increase of 2.2%. Orchard Cropland- Orchard Cropland values declined very slightly throughout the state due to a decrease in the yield of apricots and sweet cherries and decreases in the prices of sweet cherries and peaches. Apple prices increased slightly, but that increase was more than offset by increases in the cost of production. Meadow Cropland- Meadow land values were also mixed, with the majority of the counties showing an increase. Dry Cropland: Decreases in land values are recommended for dry land acreage where small grains are the major crops. Grazing Land: Grazing land values remained relatively constant. The cost of production increased at approximately the same rate as the increase in prices received by producers. Non Production Land: No change in value for nonproduction land is being recommended.

Commissioner Pero noted that Mr. Larsen arrived during the report.

VI. Recommendation to the Utah State Tax Commission for a range of values for land in the various areas of the state based upon productive capabilities of the land when devoted to agricultural uses per Utah Code Annotated 59-2-514.

Commissioner Pero reviewed the final steps of the process following a vote of the Committee. He stated the values would be incorporated by the Property Tax Division into a proposed Tax Commission Administrative Rule R884-24P-53 Valuation Guides for Valuation of Land Subject to the Farmland Assessment Act. On Thursday, October 8, 2015 the Commission would vote to accept and publish the proposed values in the Rules Bulletin for public comment. The proposed rule amendment would be available for public comment for 30 days running from November 1,

2015 to December 1, 2015. The rule will likely be scheduled for final consideration at the public Commission meeting on December 10, 2015.

MOTION: Mr. Larsen moved to accept the Farmland Assessment Report of September 29, 2015, with the noted corrections, and recommend the range of values in the report to the Utah State Tax Commission for 2016. The Motion passed unanimously.

Commissioner Pero asked if Committee members had questions, comments or input.

Committee members discussed urban farming issues.

VII. Next meeting time

Commissioner Pero stated that next meeting would be held around this same time next year.

VIII. Adjourn

Commissioner Pero adjourned the meeting at 11:40 a.m.

Approved on: Wednesday, September 28, 2016

Attested: Christa Johnson
Executive Assistant
Utah State Tax Commission