

State Farmland Evaluation Advisory Committee

MEETING MINUTES

Wednesday, October 2, 2013, 1:30 p.m.,
Room 1000

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

Participating:

D'Arcy Dixon Pignanelli, 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. 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

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

Excused:

Mr. Kyle Stephens, Deputy Commissioner, Utah Department of Agriculture; appointee of the Commissioner of the State Department of Agriculture and Food.

Tax Commission Staff Present:

Robert Pero, Commissioner, Utah State Tax Commission

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

Mr. Craig Jolley, 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

Commission Dixon called the meeting to order at 1:30 p.m. and noted that Mr. Kyle Stephens is excused.

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 Dixon said that the State Farmland Evaluation Advisory Committee falls under the Open and Public Meetings Act. Commissioner Dixon conducted the Open and Public Meetings Act training required under Utah Code Annotated 52-4-104 and noted the 2013 General Legislative Session S.B. 77, Availability of Government Information, made changes to the minutes and recordings requirements.

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)

Commission Dixon noted that no one from the public wished to address the Committee.

IV. Approval of the 2012 State Farmland Evaluation Advisory Committee minutes of November 13, 2012.

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

V. Presentation of the 2013 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 that values in the report are summarized according to six land uses: Irrigated Cropland, Orchard Cropland, Meadow Cropland, Dry Cropland, Grazing Land and Non Production Land. To derive the values for each land use he looks at changing crop prices, changing costs, crop yields (or productivity) and crop mixes. These items are augmented by data limitations. The final values are based on a five year average. The data represents 2012 production levels, which USU gathers in 2013, and are used to recommend land values for 2014. Dr. Snyder said that the data suggests that in general values for each land use are less than the previous year.

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

Mr. Jolley stated there may have been some inadvertent errors where a previous year's values were included in some of the appendices.

Dr. Snyder thanked Mr. Jolley for his close review, and stated he will review the appendices again. He indicated any data errors would affect the overall recommended values and he would need to prepare a revised report.

Mr. Brown suggested the report include an explanation on the transition of land from one use to another. The Committee discussion concluded that any information that assists in educating farmers and ranchers is helpful. Mr. Lytle said he would work with Dr. Snyder on preparing language for report.

The Committee had a further general discussion on how information in the farmland report could be used to educate farmers and ranchers. Mr. Brown suggested he work with Mr. Lytle to prepare a possible information piece that could be made available at various interest group gatherings.

Mr. Larsen stated those interested groups would include the Utah Cattlemen, the Utah Wool Growers, the Utah Conservation Districts, and the Utah Farm Bureau, and well as other groups. He agreed that opportunities to provide information and educate are always good.

Mr. Brown asked about the various classes (classes I – IV) within the categories of land described by Dr. Snyder were determined.

Mr. Lytle stated primarily with soil surveys, which look at the make-up of the soil. The descriptions of the classes are outlined in the Standards of Practice developed by the Property Tax Division and made available to the Assessors for classifying lands.

VI. Recommendation to the Utah State Tax Commission for 2013 of 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 Dixon suggested the Committee hold an electronic meeting on Monday, October 7, 2013, to review and discuss a REVISED DRAFT Farmland Evaluation Report from USU and to take a vote on recommending the values in the report to the Tax Commission.

The Committee agreed.

Commissioner Dixon reviewed the final steps of the process following a vote of the Committee. She 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 10, 2013 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, 2013 to December 2, 2013. The rule will likely be scheduled for final consideration at the public Commission meeting on December 12, 2013.

Mr. Lytle added that the Assessors would then use the rule to develop their tables to be used starting January 1, 2014.

VII. Next meeting time

Commissioner Dixon stated that following the October 7, 2013 electronic meeting there would be one more electronic meeting on Tuesday, November 12, 2013 to approve minutes.

Commissioner Dixon announced that starting January 2014, Commissioner Robert Pero will take over as chair of the State Farmland Evaluation Advisory Committee. She thanked everyone for

their service and stated that she has enjoyed the opportunity to work with everyone involved with the State Farmland Evaluation Advisory Committee

VIII. Adjourn

MOTION: Assessor Garff moved to adjourn. The motion passed unanimously. Commission Dixon adjourned the meeting at 2:53 p.m.

Approved on: Tuesday, November 12, 2013

Attested: Christa Johnson
Executive Assistant
Utah State Tax Commission