FREESTONE COUNTY AGRICULTURAL ADVISORY BOARD

Minutes of March 13, 2024

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, Brady Johnson, 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 7:36 a.m. and Mr. Awalt declared that a quorum was present. The minutes from March 13, 2023 were read and considered by the board. Mr. Johnson made a motion to approve the minutes as presented. Mr. Holmes seconded the motion. Motion carried.

Mr. Awalt stated that the preliminary standards had been the same for years and no changes had been made. He then presented the district's Agricultural Use Intensity Standards to the board for their consideration pointing out the Use Standard on page eight. 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 had a recommended stocking rate per animal unit of seven to twelve acres for all three standards by Eco-Region.

Mr. Awalt reviewed the typical management practices for hay production stating that there were no changes. The standard practices include fertilizing, cutting, baling, hauling, and/or marketing, There was no change for the use standards for orchards and croplands.

As Mr. Awalt continued his presentation he reviewed the intensity standard for beekeeping as set by the State of Texas. The requirements are a minimum of five acres with six hives, and a maximum of twenty acres with twelve hives.

The following paragraph is hemp for industrial use. Mr. Awalt explained that this production is a new addition to the Agricultural Use Intensity Standards. Hemp became legal a couple of years ago but there are no management practices at this time. The property owner who produces industrial hemp may qualify for open-space land valuation once they have obtained a license from the Texas Department of Agriculture (TDA). TDA has no set minimum acreage requirements. A valid license from TDA must be reapproved annually. The property owner may be required to provide annual updates to the appraisal district to continue receiving the valuation.

The typical wildlife management practices still have the same requirements. Mr. Awalt explained to the board that the Texas Parks and Wildlife Life provides wildlife management reports to the property owners upon their request. They would also have received the ag exemption prior to receiving wildlife and are required to perform three out of seven practices.

Mr. Awalt reviewed the 2024 Open Space (1-D-1) Land Use Valuation Calculation beginning with pasture land. The assumptions were based on an average tract size of 39.00 acres and 1,698,840 sq. feet. The materials and labor costs are \$3.25 per linear feet for a fence with a life expectancy of 20 years. The costs increased from \$2.96 in 2023. At \$271.56 cost per acre, the total fence cost is \$6.79 per acre with adjustments for time. The capitalization rate ag of 10.60% as published by the Property Tax Division had its first increase since 2007. Mr. Awalt pointed out the Texas Rural Land Value Trends for 2023 stating that the tables showed that the district is representative of the rental ranges typical for Region 7.

With there being no changes for 2024 the average net lease price for orchard and crop land is \$25.83 per acre after all operating expenses and ad valorem taxes are paid. Pasture land also stayed the same and had an average lease amount based on a five year average of \$20 with \$-6.79 for fences and an average net lease price of \$11.41. Native pasture had an average lease amount of \$12 and a hunting income of \$7.50. The net income to land was \$10.91. Wooded pasture was 80 percent of native pasture capacity based on dry matter yield of \$82.38 per acre with a decrease of \$4.68. After brief discussion the board agreed to the assumptions to be used in the 2024 "ag value" calculations.

There being no further business or public comment, the meeting adjourned at 8:00 a.m.

Frank Bonner

Brady Johnson

Scott Holmes

Keith Hardwick

Barry Capps