

**RI State Conservation Committee**  
**17 Smith Avenue, Greenville, RI 02828**

**FFOS Land Valuation Subcommittee**

**MEETING MINUTES**

**Monday, November 8, 2004**

**1:30 PM**

**USDA/NRCS Conference**

**Tom called the meeting to order at 1:35 pm.**

**In attendance were: Tom Dupree, Ken Swain, James Savage, Suzanne Kogut, Linda Cwiek, Ken Ayars, Michael Pezza, Richard Hart, Ronald Fasano, Steve Swallow, Vicky Drew and Wendy Hoyle.**

**Items distributed:**

**§ RI Farm Use Data from 2004 Agriculture Survey**

**§ Calculations for farm values using USDA census vs Ag use value**

**§ USDA Ag census farm production expenses**

**§ Letter from 2004 indicating capitalization rate of 9.516%**

**Review RI Farm Use Data and USDA Ag Census**

**Ken distributed the results of RI Farm survey. Vicky had information of the USDA Ag census. Vicky took last years capitalization rate and applied to both figures and formulated a spread of the two methods- USDA rental rates with the capitalization rate applies vs Div of Ag method using market value on a weighted average by acre. There is concern that the rental shown in the USDA census does not accurately reflect what farmers are truly renting land for. These figures may also include buildings and the way farmers report their income, not necessarily renting as indicated. There was much discussion about which methodology is the correct way of calculating values. We need to decide which is the more accurate method and stay with it. If using the method based on market values, this would eliminate yearly fluctuations. Steve feels we need to include the capitalization rate in our calculations, that this better reflects land values. Ken will look into other categories in the Ag census to see if there is a better way to reflect values. We reviewed Rob Johnston's research on CT's and MA's methodologies. We discussed contacting each state to ask for an assessment of their program after using their methodologies for the past several years.**

## **Recommendations For Open Space Criteria**

**The subcommittee referred to the recommendations stated at the last meeting to prevent golf courses being included in the open space law. We discussed whether we should bring this before the State Committee to ask for a change in the law. Quidnessett Country Club is waiting for a court hearing. It was decided not to take any action at this time and wait until we see what the outcome of Quidnessett Country Club's court hearing is.**

## **MINUTES**

**Motion was made to accept the October 4th meeting minutes.  
Jim/Ken Swain Unanimous**

**The next meeting of the subcommittee will be Monday, November 29th at 1:30pm.**

**Motion was made to adjourn at 3:45 pm. Sue/Mike Unanimous**

## **ACTION ITEMS**

**Contact CT and MA for an update of their farmland program – Ken Ayars**

**Retrieve additional data from the NE Ag Statistics – Ken Ayars**