

**Durham Agricultural Commission
Meeting Minutes
Tuesday, August 18th, 2015
7:00 pm, 3rd floor Meeting Room, Town Hall**

Members: Fred Mastele, Roger Passavant, David Zemelsky, Melissa Greenbacker Dziurgot

Alternates: Joe Pasquale

Seating of Alternates: Joe Pasquale was seated for Warren Herzig

- 1) Meeting was called to order by Fred Mastele at 7:01 pm and roll call was taken.
- 2) Motion was made by Joe Pasquale and seconded by Melissa Dziurgot to accept the August 18th, 2015 Meeting Agenda. Motion passed unanimously.
- 3) Motion was made by Joe Pasquale and seconded by Roger Passavant to accept the July 21, 2015 Meeting Minutes. Motion passed unanimously.
- 4) Public Comment

Pierre Passavant of Rivendell Farm made a prepared presentation to the Commission regarding some issues related to horse farms in Durham. This presentation had previously been made to Laura Francis, First Selectman, and she had recommended bringing it to the Agricultural Commission as well.

A copy of the full presentation is attached to these Minutes.

In summary, Pierre personally visited the Tax Assessor Offices of 13 towns around Durham in June 2015. His goal was to determine whether 1) these towns had adopted Bill 5057 in 2014 (exempting *all* horses from Property Tax), 2) these towns specifically taxed horse bedding, feed and hay as Property, and 3) these towns required farmers to attach their Federal Tax return to their Personal Property Tax Declaration.

Pierre's survey found that:

- 1) Only Killingworth (in addition to Durham) adopted Bill 5057, and its adoption was qualified. That makes Durham the most horse-friendly of all these towns.
- 2) Only 2 of the 13 towns specifically tax horse bedding, feed and hay as Property.
- 3) Only 4 of the 13 towns require farmers to attach a Federal return to their Declaration.

Pierre concluded that the Durham Property Tax on horse bedding, feed and hay seemed:

- 1) contradictory to the Town's adoption of Bill 5057 exempting horses from Property Tax.
- 2) inconsistent with the policy of the CT Department of Revenue Services which specifically *exempts* farmers from paying *sales* tax when purchasing bedding, feed and hay, and
- 3) discriminatory in that the Durham's Tax Assessor Office had told him that it applied the bedding, feed and hay Property Tax only to a few large horse farms in the town.

Pierre also explained that a typical, large horse farm would use about \$60,000 of hay and grain in a year. The average monthly cost would be \$5,000 which, at a mill rate of 33.74, would result in a Property Tax of \$168.70. While this amount may seem small, if a farm is operating at a loss, it simply increases the loss. (Bedding is omitted from this calculation because Durham's Board of Assessment Appeals ruled that bedding is *not* taxable as Property.)

A lengthy discussion followed Pierre's presentation. David recommended inviting both the Board of Selectmen as well as John Philip, Tax Assessor, to a future Ag Commission meeting - to discuss issues related to Property Tax as applied to horse farms. A motion to that effect was made by Joe Pasquale and seconded by Roger Passavant. The motion passed unanimously.

5) Old Business

Whites Farm

Fred reported that he and Dick had attended the Conservation Commission meeting to learn more about what was occurring in regards to the bobolinks issue. Fred said that Joe Greenbacker had been in communication with the Commission and that all parties were trying to come up with an amicable solution.

Durham Grown Sign

Roger reported on signs. The Ag Commission has a budget of \$150.00. The signs cost \$42.00 each. Roger suggested that the Ag Commission purchase four of the originally discussed seven signs now, and purchase the last three signs next year with next year's budget. The Commission agreed.

Guilford Road Property

Fred reported that the Conservation Commission discussed the property at their last meeting. Since there are no conservation easements on the property, the Conservation Commission felt it would be appropriate to allow the Ag Commission to act as stewards for said property. Fred reported that it now becomes the decision of the Board of Selectmen.

Coginchaug River

Warren was not in attendance at the August meeting, therefore no update.

Deerfield Farm

There was a brief discussion by the Commission regarding the well repairs and the proposed UV water filtration system. Fred reported that he had emailed Melynda Naples to see if she had received the lab results for the water sampling from the State.

6) New Business

- a) Joe Pasquale inquired as to whether we would be sponsoring the Durham Grown Farm Tours this year. There was a brief discussion by the Commission.
- b) David Zemelsky raised a concern regarding one of the bands performing at the Durham Fair - specifically that the word "Confederate" appears in its name. There was a brief discussion, and the Commission decided that it should stick to the 'business' of Agriculture

Motion to Adjourn

Motion to adjourn was made by Melissa Dziurgot and seconded by Joe Pasquale. The meeting adjourned at 8:33 pm.

**COPY OF PRESENTATION MADE TO LAURA FRANCIS, DURHAM
FIRST SELECTMAN, JULY 10TH 2015**

**Between June 3rd and 10th, 2015, Pierre Passavant of Rivendell Farm
personally visited the offices of the Tax Assessors of 13 Towns in central
Connecticut.**

**The Towns are: Bethany, Cheshire, Meriden, Guilford, Clinton, Westbrook,
E.Haddam, Chester, Bozrah, E.Hampton, Glastonbury, S.Glastonbury and
Killingworth.**

**The purpose was to determine how Durham's Personal Property Tax policies
regarding horse farms compared with those in surrounding Towns.**

*Rivendell Farm, Durham CT
July 10th, 2015*

Town	Person	Adopted Bill 5057	Bedding Feed, Hay Taxable	Attach Fed Ret to Decl	Assessor Office Comments (“B.F.H.” = Bedding, feed & hay)
Durham	Ass't. Assessor	Yes	Yes	Yes	B.F.H. is a “cost of doing business”
Bethany Cheshire	Assessor	No	No	No	Supplies are self-reported by farms.
Meriden	Staff	No	No	No	Supplies are self-reported by farms.
Guilford	Staff	Not yet	No	No	Supplies are just ‘rotating stock.’ “Would you tax meat in a restaurant?”
Clinton	Staff	No	No	No	B.F.H. - ‘nothing big enough to warrant’
Westbrook	Assessor	Not yet	No*	No	*B.F.H. taxed only if self-reported by farms. <i>(Though assessor personally supports taxability.)</i>
East Haddam Chester Bozrah	Assessor	No	No	No	Does not have large farms / not an issue.
E. Hampton	Staff	No	Maybe	Yes	Will challenge farm if self-reported ‘Supplies’ seems low. But does not specifically target B.F.H.
Glastonbury S.Glastonbury	Staff	No	Yes	Yes	Also grants optional extra \$100K exemption for farmer buildings
Killingworth	Assessor	Partly*	No	Yes	*Only horses under \$20K value are exempt “B.F.H. not worth the effort” T.Denean will also become E.Hampton Assessor

Table above shows data gathered during in-person visits to Assessor Departments in 14 CT towns re Personal Property Tax. June 3rd to 10th, 2015

Source: Rivendell Farm, Durham, CT

Summary findings...

- **Only Killingworth (in addition to Durham) adopted Bill 5057. (*Conditionally*)**
 - **2 other towns are considering adoption.**

- **Only 2 of 13 towns (Glastonbury and S. Glastonbury) specifically tax bedding, feed and hay used by horse farms.**

- **Only 4 of 13 towns (E. Hampton, Glastonbury, S. Glastonbury, and Killingworth) require horse farms to attach a Federal Tax schedule to their Personal Property Tax Declaration.**

- **A few Assessor quotes re bedding, feed and hay ...**
 - “Hay and grain are rotating stock. Would you tax meat in a restaurant?”**
 - “Bedding, feed and hay are not worth the effort.”**
 - “Bedding, feed and hay - nothing big enough to warrant effort.”**

Rivendell Farm, Durham CT
July 10th, 2015

A Few Conclusions

Durham is the most horse-friendly among 14 Towns - having adopted Bill 5057 without qualifications.

There is an opportunity for Durham to publicize this fact to the larger horse-owning community.

On the other hand, Durham is part of a minority of 2 that specifically taxes bedding, feed and hay used by horse farms.

This tax appears contradictory to the Town's stand on Bill 5057, and is inconsistent with DRS sales tax policy. Also, the tax is only applied to a few large horse farms.

*Rivendell Farm, Durham CT
July 10th, 2015*

(Added page for Ag Comm, Aug. 18th, 2015)

Annual cost for an average, large farm

Hay	\$ 30,000
Grain	<u>30,000</u>
Total	\$ 60,000
1/12th	5,000
Mill rate	33.74
Property tax	\$ 168.70