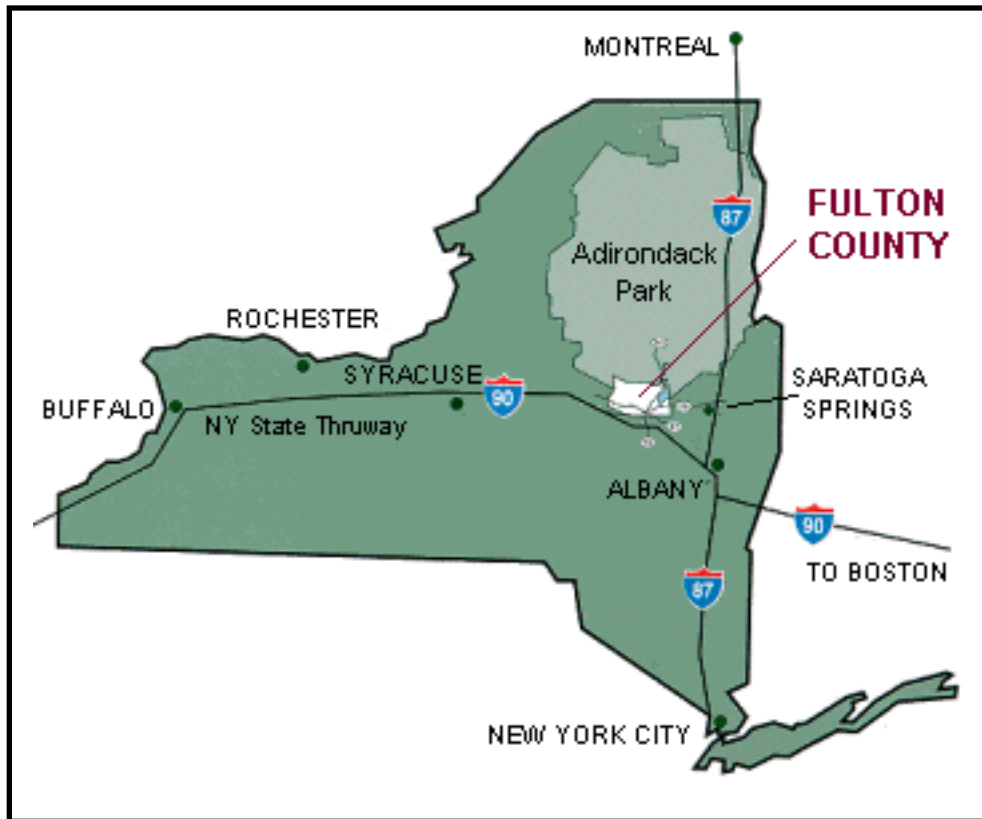


Fulton County, New York

Agricultural and Farmland Protection Board



2002

Report on the Review of Fulton County
Agricultural District No. 1

Fulton County Agricultural and Farmland Protection Board

Report on the Review of Fulton County Agricultural District No. 1

INTRODUCTION

Agricultural District No. I was approved in 1976 by the Fulton County Board of Supervisors and in 1977 by the New York State Department of Agriculture and Markets. This District encompassed over 10,000 acres of land located in the Towns of Johnstown, Perth and Mayfield. The District was, at that time, a self-contained contiguous area of the County with a district boundary. All properties within the boundary of the Agricultural District were in the District regardless of whether the property was used for agriculture.

Fulton County conducted its first eight (8) year review of Agricultural District No. 1 in 1985. No changes were made to the District boundary. The second eight (8) year review was conducted in 1993. Certain parcels of land not in active agricultural use were removed from the District during this review. These modifications resulted in an estimated 9,496 acres of land remaining in Agricultural District No. 1 (although subsequent refinements of the data indicate 11,746 acres actually remained within the District.)

Also in 1993, the Agricultural and Farmland Protection Board considered the possible creation of three (3) additional Agricultural Districts in Fulton County. These Districts, however, were never created. As part of the current eight (8) year review of Agricultural District No. 1, the Agricultural and Farmland Protection Board decided to recommend that those properties proposed in 1993 to be included in new agricultural districts be included into a revised Agricultural District No. I. Changes to the New York State Agriculture and Markets Law now allow for additional noncontiguous agricultural lands to be incorporated into an Agricultural District as part of an eight (8) year review process.

As a result, it is the recommendation of Fulton County's Agricultural and Farmland Protection Board to include new agricultural lands located throughout the southern half of Fulton County into Agricultural District No. 1.

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1. NATURE OF FARMING AND FARM RESOURCES WITHIN AGRICULTURAL DISTRICT NO. 1

Agricultural District No. 1, with the additions proposed, would account for most major agricultural areas of Fulton County. The 1997 U.S. Agricultural Census found that farming in Fulton County involved some 176 business locations, both large and small, that generated sales of \$9,625,000. The proposed Agricultural District No. 1 represents an estimated \$9,620,000 of sales or 99% of the 1997 County total. This is based on an average of the gross annual farm sales reported in surveys of farmers within the District. The District accounts for 97 out of 176 farms reported in the Agricultural Census, but 64 or 71% of the farms with sales of \$10,000 or more. District farms encompass 25,560 acres or 75% of all farmland tallied in 1997.

Virtually all the farms in proposed Agricultural District No. 1 are found south of the Adirondack Park in the plateau areas between the Adirondack Mountains and the Mohawk River Valley. They are located in the Towns of Broadalbin, Ephratah, Mayfield, Johnstown, Oppenheim and Perth. There are pockets of farmland both east and west of the Cities of Gloversville and Johnstown. Dairy farms predominate as the following listing of farms within the District by principal enterprises indicates:

PRINCIPAL FARM ENTERPRISE	FARMS
Dairy	41
Livestock (Nondairy)	21
Hay/Silage	13
Cash Crops (Grain)	6
Vegetables	4
Christmas Tree:	4
Orchard	2
Other Livestock	2
Other Crops	4
TOTAL	97

Dairy farms within the District represent 41 of the 55 dairies with sales of \$10,000 or more that existed Countywide in 1997. These farms then accounted for 79% of all farm sales, explaining why present District farm sales are such a large share of total County farm sales.

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2. THE OVERALL STATUS OF FARMING, THE FARM ECONOMY AND FARM INVESTMENT WITHIN AGRICULTURAL DISTRICT NO. 1

Farm numbers have been declining in Fulton County as the industry has consolidated nationwide, but the pace has slowed somewhat locally as the table below indicates:

YEARS	FARMS	LOSS	% LOSS
1978	254	N/A	N/A
1982	233	21	8.3%
1987	195	38	16.3%
1992	184	11	5.6%
1997	176	8	4.5%

Farm acreage also dropped, from 38,762 acres in 1987 to 34,291 acres in 1997. Farm sales grew from \$ \$8,616,000 in 1987 to \$10,196,000 in 1992 and then declined to \$ \$9,625,000 in 1997. This reflects price fluctuations and industry trends. Moreover, the District farm sales data discussed above suggests the Census statistics undercount farm sales within Fulton County. Overall, agriculture within the County and the District may be described as relatively stable.

The average value of land, buildings and equipment used in each of Fulton County's 176 farm businesses in 1997 was \$294,646 for a total investment of approximately \$51,858,000. Market values averaged \$232,450 for land and buildings and \$62,196 in machinery and equipment. As outlined below, Agricultural District No. 1 accounts for an estimated \$4,735,000 in new investments made in the farm economy over the last seven years, based on average survey responses:

INVESTMENTS	FARMS	ESTIMATED TOTAL
Below \$10,000	40	\$200,000
10,000 to \$49,999	27	810,000
\$50,000 to \$99,999	15	1,125,000
\$100,000 to \$199,999	8	1,200,000
Over \$200,000	7	1,400,000
TOTALS =	97	\$4,735,000

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Agriculture is much more than farming, however. Many nonagricultural businesses supply the needs of farmers. These include processors, vehicle and equipment dealers and other enterprises. Fulton County farmers, for example, own and must maintain and replace 130 mower/conditioners, 119 balers, 252 trucks, 449 tractors and numerous other pieces of farm equipment and machinery.

These farms also, according to the 1997 Census of Agriculture, annually purchase: \$332,000 of electricity; \$317,000 of petroleum products; \$679,000 in repairs and maintenance; \$599,000 of property taxes; \$546,000 of hired farm labor; \$568,000 of seed, fertilizer and chemicals; \$1,719,000 of feed; and approximately \$2,180,000 of other products and services from Fulton County and other nearby enterprises, many of which would not be considered farm supply businesses (e.g. insurance and auto businesses).

Most importantly, income from agriculture goes further than other sectors in helping the economy. Agriculture produces much higher economic multipliers than any other sector of the Fulton County economy. A report entitled "Economic Multipliers and the New York State Economy," (Policy Issues in Rural Land Use, Cornell Cooperative Extension, December 1996) indicates dairy production, for example, enjoys a 2.29 income multiplier compared to 1.66 for construction, 1.48 for services, 1.41 for manufacturing and 1.40 for retail and wholesale trade. Crops produce a multiplier of 2.28 and nursery and wood products yield 1.78 times sales. Applying these multipliers indicates agriculture represents a total contribution to the economy of approximately \$22,000,000, not including forestry enterprises, many of which take place on farms and all of which are part of agriculture.

3. EXTENT TO WHICH DISTRICT FARMS FURTHER THE PURPOSES OF THE AGRICULTURAL DISTRICT

The Agricultural and Farmland Protection Board considered creating as many as three new Agricultural Districts in Fulton County in 1993. However, these Districts were never established. The Agricultural and Farmland Protection Board decided to take advantage of the resources available during the current 8-year review of Agricultural District No. 1 to incorporate all farm areas in previously proposed Agricultural Districts No. 2, 3 and 4 into the updated District No. 1. Therefore, the proposed Agricultural District No. 1 would become much larger

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and more encompassing than ever before. It would now include most of the major farms within the County, fulfilling the Board's original intention to include as many as possible of the County's farms in Agricultural Districts.

4. EXTENT TO WHICH DISTRICT HAS ACHIEVED ITS ORIGINAL OBJECTIVES

Agricultural District No. 1 has worked as intended to provide farmers with agricultural assessment benefits and right-to-farm protection. It has also served to highlight the value of agriculture within the towns involved and the County. These, in turn, combined with other New York State initiatives such as the Farmer's School Tax Credit, have helped to stabilize the industry. They've also positioned the agricultural sector for growth as efforts are made to diversify, specialize and market new farm products.

5. COMPLEMENTARY AGRICULTURAL AND FARMLAND PROTECTION PLANNING

The Fulton County Board of Supervisors and the Agricultural and Farmland Protection Board are presently engaged in developing an Agricultural Development and Farmland Protection Plan with assistance from the Department of Agriculture and Markets. This soon to be completed Plan will recommend actions and policies to both protect and develop the farm economy of Fulton County. It has included detailed surveys of farmers, agri-businesses and non-farm residents.

The Board of Supervisors and Agricultural and Farmland Protection Board also sponsored a September, 2001 conference of farmers, agribusiness owners and others concerned with Fulton County agriculture to help formulate Plan recommendations. It included a detailed review of the wide-ranging agricultural tax benefits available in New York State, a talk on "Agricultural Economic Development Opportunities" and an overview of farmland protection options.

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6. RECOMMENDATIONS

The Agricultural and Farmland Protection Board recommends that Fulton County Agricultural District No. 1 be modified to include a total of 25,560 acres of land, some 9,496 acres of which constitutes the existing District No. 1. The remaining 16,064 acres is new District land area being added on both sides of the Cities of Gloversville and Johnstown, including areas previously and tentatively proposed as Agricultural Districts No. 2, 3 and 4. The parcels to be included in the new Agricultural District are listed on the attached pages.

AGRICULTURAL DISTRICT REVIEW PROFILE

DISTRICT IDENTIFICATION

County:		Fulton			District Number:	1
Town(s) in District: Broadalbin, Ephratah, Mayfield, Johnstown, Oppenheim and Perth						
No. acres in district: 27,312	No. acres in farms: ¹ 25,533	No. acres cropped: 10,506	Owned by farmers: 19,800	Rented by farmers: 5,733		

AGRICULTURAL DATA

Number Farms by Principal Enterprise(s)	Number Farms According to Annual Gross Farm Sales	Number Farms According to Total Capital Investments (Land, Buildings, Livestock, Trees, etc.) Over Past 7 Years
Dairy: <u>41</u>	Below \$10,000: <u>31</u>	Below \$10,000: <u>40</u>
Cash Crop (Grain): <u>6</u>	\$10,000 to \$39,999: <u>28</u>	\$10,000 to \$49,999: <u>27</u>
Vegetable: <u>4</u>	\$40,000 to \$99,999: <u>6</u>	\$50,000 to \$99,999: <u>15</u>
Orchard: <u>2</u>	\$100,000 to \$199,999: <u>15</u>	\$100,000 to \$199,999: <u>8</u>
Vineyard: <u>0</u>	\$200,000 to \$499,999: <u>15</u>	Over \$200,000: <u>7</u>
Livestock (Non-dairy): <u>21</u>	Over \$500,000: <u>2</u>	TOTAL = <u>97</u>
Poultry: <u>1</u>	TOTAL = <u>97</u>	
Horticulture/Special: <u>1</u>		
Sugarbush: <u>0</u>		
Christmas Tree: <u>4</u>		
Aquaculture: <u>0</u>		
Hay/Silage: <u>13</u>		
Blueberries: <u>1</u>		
Woodlot: <u>2</u>		
Horses: <u>1</u>		
TOTAL = <u>97</u>		

AGRICULTURAL DATA ANALYSIS

	Added/Increased	Deleted/Decreased
A. Since last review, number of acres In District:	<u>15,565</u>	<u>0</u>
B. Since last review, number of acres in farms:	<u>15,565</u>	<u>0</u>
C. Since last review, number of farms:	<u>60</u>	<u>0</u>
D. Since last review, number of farms with gross sales over \$100,000:	<u>25</u>	<u>0</u>
E. Since last review, number of farms with capital investments over \$100,000:	<u>10</u>	<u>0</u>

¹ Number of acres in farms represents the sum of acres owned by farmers and rented by farmers.

(Attach additional sheets if necessary)