Don't forget about ag leases

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. With all the hustle and bustle over getting the new farm bill figured out, don't forget that January is the month when we need to be dealing with ag leases. Which actually might work out pretty well! You'll need to talk to your landlord, or tenant anyway about the farm bill provisions, so just talk about the ag lease while you're at it. For all oral leases, and written leases without a termination date, if nothing is done by the 31st of January, the lease continues for another year under the old terms. The secret to having a good lease is merely having good communication. Good communication means no surprises! Even if you have a cash lease agreement, that landlord probably would like to know what you are planning on doing. If you have a crop share agreement then absolutely you need to be talking to your landlord. Don't just talk to them when you have a bill for them or need them to help pay for something. Talk with them when there's really nothing to discuss. Let's face it, a lot of these landlords are retired farmers or farm spouses. They enjoy talking about just anything and it's a good way to keep the communications open. As a reminder, I will be having a combination ag lease, farm bill meeting on January 14th at the 4-H Building at 7 p.m. in the evening. The first 20 minutes or so will be an abbreviated version of the ag lease talk I give each year and the rest of the evening will be me discussing the farm bill and trying to answer questions on this complex program! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Kansas Ag Lease Law

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. January is crunch time for leases. There are numerous laws and statutes that impact agricultural leases, none probably bigger than what we call the Kansas Ag Lease law. The Kansas Ag Lease Law's most critical point comes to when and how and when ag leases can be terminated. With written leases that specify a certain starting and ending date for a lease, those dates hold. But for any oral leases, which are considered binding by Kansas law, and written leases without specified termination dates, the ag lease law steps in and states that leases will be one year leases and will run from March 1 to March 1. It is important to note that in the eyes of the law oral ag leases can only run for a period of one year. HOWEVER, those oral leases will automatically renew until such time that proper notice of termination is provided. Proper notice of termination has three critical parts. First of all the notice must be given in writing. Secondly, it must set the termination of the lease as March 1st. Finally, this notification MUST be delivered at least 30 days prior to March 1st. Not just mailed 30 days prior, but delivered. Keep in mind that February only has 28 days, well in 2014 anyway, so notice in most years must be delivered no later than January 30th. Which means that you need to visit with your tenant or landlord in the next few weeks so that if issues or new terms can't be worked out, you have time to give proper notification. Because if you don't get new terms determined by January 30th, the terms of the lease from last year remain in effect for another year. This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Agricultural New Year's resolutions

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. Well, I reckon it's about time for some agricultural new year's resolutions so let's get this over with. And as always, these all apply to everyone other than me - just like they do with you. I resolve that 2015 will be the year that once a month I will get all my bookwork done so it's not New Year's day and I'm cussing and crying because I'm trying to get a year's with of bookkeeping caught up. It really is more palatable if you take that book work in small bites! I resolve that in the new year I will cull cows, and keep back replacements, based on actual performance data, not by how attached I am to a cow. Let's face it, everyone's kept a cow back for a year or two longer because they always used to be a good one. Or we've dumped a cow that may have been pretty good, just because she ran be up on the flatbed that one winter! With prices and expenses where they are, we can't afford free loaders, we can't afford poor performers. I had one person say that if we only kept those that were average or above, we wouldn't gain much ground. There's a lot of average cows out there, keep back only those that are above average if you want to make her improvement. Finally, I resolve that this year my spouse and I will sit down and actually talk about the goals for our operation and our plan for succession. In all my years I've only known a handful of farmers/ranchers who actually retired. Most of them just keep going along until they have to stop, or die. Make a plan of what you want to accomplish and when you want to retire and then stick to it. Happy New Year's everyone! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.