

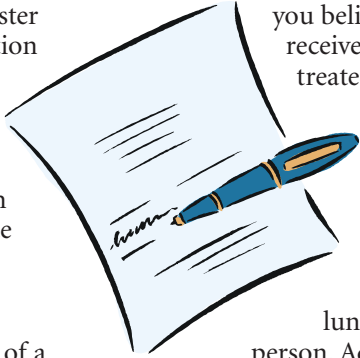
Estate Planning Workshop, March 26

All small business owners—including farmers—should have a strategy for a successful business succession. University of Nebraska-Lincoln Extension in Lancaster County will present an Estate Planning Workshop on Thursday, March 26, 9 a.m.–3 p.m. at the Lancaster Extension Education Center, 444 Cherrycreek Road, Lincoln. Speakers include UNL Farm Ranch Business Associate David Goeller and Attorney Joe Hawbaker.

The specifics of a business succession strategy will be different for every business and will depend on a number of factors. The most important factors governing the specifics of the estate planning strategy are:

- Will the farm business will be sold, which presumably will result in leaving a personal estate or will the farm or business be passed on to the next generation before your death or upon your death.

- Do you have an up-to-date will?
- Probate—what you and your heirs need to know.
- The impact of state inheritance tax and federal estate and gift tax.
- How will the property and other assets be divided—do you believe every heir must receive an equal share to be treated fairly or is there a difference between equality and fairness?



The workshop will address these topics and more.

Cost (includes lunch) is \$25 for the first person. Additional persons from the same family or business may attend for an additional \$15 each without handouts or \$20 with their own set of handouts.

Registration by March 24 with payment is required to hold your spot. Due to space limitations, participation is restricted to the first 40 paid registrations. For registration information, go to <http://lanaster.unl.edu/ag/EstatePlanningWorkshop09.pdf> or call 441-7180.

Renting Livestock Facilities

Tom Dorn
Extension Educator

From time to time, someone will inquire at the extension office about establishing a fair rental price for a livestock facility. While the extension office, in no way, is in a position to set rental rates or judge what is fair to both parties, there are some guidelines presented by Farm Management Specialists at the University that can be used.

For both the owner and tenant, determining a fair rental price for livestock facilities such as hog barns or feedlots should include consideration of alternatives available. For example, the owner should consider whether the facility will be in use or sit idle if not

rented. If the owner had planned to use the facility for his or her own operation, annual rent equal to 18 percent of the current asset value is considered a good rule of thumb. This amount should cover depreciation, interest, normal repairs, taxes and insurance. On the other hand, if the facility will remain idle if not rented, annual rent equal to 10 percent of value may be satisfactory. This generally will cover cash expenses such as repairs, taxes and insurance and the loss of value due to use or depreciation. For example: Using these guidelines, a hog barn valued at \$25,000 would have the rent set between \$2,500 to \$4,500 per year.

The prospective tenant, meanwhile, should consider other alternatives for

renting or building facilities. For example, would the building cost (amortized over the useful life of the facility), plus ownership costs (repairs, taxes and insurance) of constructing a similar facility, be more or less expensive than the rental price? The answers to such questions will help determine if the asking price is reasonable.

Probably the hardest thing to do when using this method, is setting a fair market value on the facility in question. Normally, you would expect the value of partially- or fully-depreciated facilities to be somewhat less than the replacement value. One good approach is to estimate how much the facility would add to the value of the property, if the property was sold.

Is Sainfoin Right For You?



Sainfoin



Alfalfa

Bruce Anderson
UNL Forage Specialist

Maybe you've seen or heard the claims—Sainfoin is better than alfalfa, a 200 relative feed value (RFV) from bud to bloom, easy to establish, more palatable. These characteristics, and more, are being claimed in advertisements by marketers of a legume called sainfoin. Sounds great, doesn't it, but what's the rest of the story.

Sainfoin, which has been nicknamed "the poor man's alfalfa," has several good characteristics. Its main advantage is its bloat-free characteristic, making it grazing-friendly. It also

tolerates low phosphorus and high pH soils well, but it hates acid, wet or salty soils. (Editor's note: moderately-acid soils are fairly common in Lancaster County and some of our soils are salty, especially in the Salt Creek flood plain.) Sainfoin produces very palatable hay or grazing, and compared to alfalfa, forage quality declines less rapidly as the plant matures.

However, in almost all areas where alfalfa is well-adapted, sainfoin does not yield as well. It does begin spring growth very fast, frequently out-yielding alfalfa at first harvest, but sainfoin regrows very slowly. Nitrogen fixation also

can be a major problem for sainfoin, even when properly inoculated with the right kind of bacteria. As a result, nitrogen fertilizer often is needed to maintain productivity. Even then, sainfoin is susceptible to root and crown rot diseases that can quickly shorten stand life.

In my opinion, sainfoin is most suitable for areas that usually get just spring grazing or only one hay cutting per year, especially if soils are calcareous. For most other uses, alfalfa and other traditional forages will probably outperform sainfoin.

Wind Energy Seminars Archived on the Web

The University of Nebraska Biological Engineering department recently sponsored two on-line seminars (webinars) of interest to people considering small-scale electrical generation using wind turbines. The first webinar was titled The Basics of Farm/Residential

Small Wind Turbines. The second webinar titled Wind Energy Development: Key Financial Considerations was concerned with community economic development experiences. I was quite impressed with the quality of the information and the unbiased advice. The coordinator for these webinars was John Hay, extension educator, with a focus in Bio-energy issues. His Web site is found at <http://bioenergy.unl.edu/>. In the left hand panel, click on Seminars then on Seminars 2009.

To watch the Basics of Farm/Residential Small Wind Turbines or Wind Energy Development: Key Financial Considerations, find their listing under the Webinars heading, then click on "View recording of webinar."

—Tom Dorn, UNL Extension Educator



Master Conservationist Entries Due April 1

Nebraska adults and youth in both rural and urban areas who have implemented soil and water conservation practices are eligible to enter the 2009 Master Conservationist Recognition program. The deadline for entries is April 1. There are categories for youth groups and individuals, residences, communities and private businesses as well as production agriculture (farming and ranching). Master Conservationist program brochures are available at the UNL Extension office and online at <http://owh.com> (click on the "In the Community" link).



Pioneer Farm Family Awards Due May 1

For the 54th year, the Knights of Ak-Sar-Ben Foundation and the Nebraska Association of Fair Managers will recognize Nebraska Pioneer Farm Families whose land has been owned by the same family for 100 years or more. Titled the "Nebraska Pioneer Farm Award," the program requires the land of a family must have been owned by some member of the family for a century or more. Pioneer Farm

Families are recognized at their local county fair and receive a beautiful engraved plaque and a gatepost marker from the Foundation.

Families with farm land in Lancaster County for more than 100 years will be recognized at the Lancaster County Fair on Friday, Aug. 7 at 5:30 p.m. during the Family Barbeque.

Applications can be obtained by contacting Sue Bulling at the Lancaster

Event Center at 441-6545 or Deanna Karmazin at the extension office at 441-7180. The deadline for submitting nominations is May 1. Families with land in other counties should contact their County Fair office.

Please be sure the forms are filled out in full with all of the necessary signatures (the owner(s) signature verifies the historical information as well as the engraving request) before mailing.