

Change is Good?

With the start of FY 2010 (July 1, 2009 – June 30, 2010), a change was made to the law governing the Soil and Water Conservation program. A statute was revised to allow sales tax funds received for the Soil and Water Conservation program to be utilized for water quality issues, in addition to soil erosion. While this is a good thing and, as explained in our last newsletter, Livingston County SWCD is able to offer landowners new soil and water conservation practices, such as Field Borders, Filter Strips and Nutrient and Pest Management practices to control water quality.

In order to distribute these funds to include water quality practices, a second change was made. The old formula was based on Highly Erodible Land (HEL) acres. The Department of Natural Resources Soil and Water Conservation Program Office developed a new plan that allowed funds for water quality practices, too. In order to develop this plan, the Program Office requested each county to complete a "Needs Assessment" report to project their funding needs for the next fiscal year. In addition to how much was needed, the 114 Districts were required to request by "Resource Concern" or category. For Livingston County, the majority of our soil erosion practices were included in the category called Sheet/Rill and Gully. In meetings held across the state, the Program Office explained that should a District only request funding for soil erosion practices, our funding could be reduced! Based on this statement, the Livingston County Board approved to request funds for three water quality resource concerns, in addition to our soil erosion practices.

The third change was the Program Office convinced the Soil and Water Commission to not allow each District to move funds from one resource concern to another.

As a result of adding water quality practices and changing the distribution formula, there was a greater de-

mand for funding, while the funding available remained the same. The bottom line...Livingston County SWCD received \$65,000 less funding for terraces and structures this year than last year. This reduction in funding means we are providing assistance to FEWER landowners.

By not allowing the Districts the opportunity to move funding to the category a landowner has requested assistance, we are providing assistance to FEWER landowners.

Of course, these changes are not the only reason why we have run out of funding with half of the fiscal year remaining. NRCS now estimates it costs \$1,000/acre to build terraces where it only cost \$500/acre a few years ago.

These are just a few of the changes the Livingston County Board is facing. They have made some difficult decisions and have more to make in order to service as many landowners as they can with the funds available. If you have a suggestion, please contact our office at 660•646•5687.

The Board has discussed several options and they are listed below:

- 1) Reduce the percentage of cost-share assistance:
(For example: a landowner would receive a reimbursement of 50% vs. 75%);
- 2) Set dollar limits on practices:
(For example: 40 acres of terraces @ 1,000/a = \$40,000 but the landowner would only a reimbursement of \$20,000);
- 3) Establish a continuous signup list:
(Landowner would signup once and be assisted in the order of the date he signed up, i.e., first come, first served);
- 4) Draw names out of a hat; and
- 5) Limit cost-share assistance to every other year.
(For example: a landowner would not be eligible if he received assistance the previous fiscal year.)

One policy has been established thus far:

A landowner is not eligible for cost-share assistance for a sheet/rill and gully practice IF he received \$10,000 or more the previous fiscal year for a sheet/rill and gully practice.

While the Board is "playing the game" for now, numerous attempts have been made to convince the Commission to give the authority back to the local boards to determine how funds should be obligated, i.e., based on landowner requests – not by resource concern. It appears the Commission is presently listening to the Program Office, only! While we will continue to address this issue with the Commission, you can help by contacting our legislators! Please contact your Representative and Senator to voice your opinion on this issue.

Their contact information is listed below:

Representative Mike Lair - State Capitol
201 West Capitol Avenue - Room 305A
Jefferson City, MO 65101
(573) 751-2917,
mike.lair@house.mo.gov

Senator Brad Lager - State Capitol
201 West Capitol Avenue - Room 429
Jefferson City, MO 65101
(573) 751-1415,
brad.lager@senate.mo.gov

The Value of a Written Contract

There are many agriculture leases made over the discussion of the method of expenses and receipts and then a hand shake, which is referred to as an oral agreement. There are many disputes that can arise that a landowner and tenant don't realize when they have an oral agreement. That is why there are many values to having a written agreement. When having a written agreement it allows the landowner and tenant to set down and work out any disputes and allows them to have a record of agreements to look back at if a dispute would arise during the time of the contract. Another advantage of having a written agreement over an oral agreement is if there was ever a death of a landlord or tenant. The reason for this is because if you had to go to court over any disputes with the heirs, the law does not allow one party to testify to the terms of an agreement or a lease. This leaves the survivor having a difficult time proving the contents of the agreement. When deciding what type of agreement to have, choose wisely. If a written agreement is made there are many things to consider putting in the agreement.

Important things to include in your written agreement are names of parties and description of property, term of lease, rental rates and agreements, right of entry, and signatures. When putting the names of the parties you want to make sure you put your wife's name on the agreement to, so if any thing would happen to you. In addition to the legal description you may want to include the road name, mailing address, and popular name of farm. The term and length of the agreement should always be stated in the agreement in case the farm was ever to be sold. When agreeing on rental rates whether crop-share rates or cash lease it needs to be stated in the lease. The percentage of crop the landlord and tenant gets and how much each party pays in expenses or the cash sum per acre should also be stated in the agreement. The landlord needs to state in the agreement that they have the legal right to enter onto the property because without this statement the tenant can treat the landlord as a trespasser. When finished you need to make sure each party signs the agreement because that is when the agreement becomes a contract. If you have joint tenancy or tenancy by entireties you need to have them sign the contract also. There are many other things to consider including in your agreement such as farm operating expenses, conservation and improved practices, improvements and repairs, records, and arbitration (settlement). There may also be other things that the landlord and tenant may want to put in the agreement depending on their situations.

There are many things to consider when making an agreement. That is why it is best to have a written agreement so the landlord and the tenant can set down and hash everything out before hand. A written agreement will make life easier on both parties in the long run because if there is ever a dispute they just have to reffer back to the contract. If they had an oral agreement and a dispute happened they may have to go to court if an agreement can not be settled on, which can be very costly and loss of valuable farming time. When making an agreement it is important that the landlord and tenant know the laws that control both oral and written agreement so they can choose the proper agreement to have.

The soil and water conservation district does not endorse nor recommend any of the vendors/contractors advertised in this newsletter; furthermore, any contractor/vendor that wishes to be added to the district's contractor/vendor list can be added upon request.

**HUTCHINSON
& COMPANY**

INSURANCE

1121 Washington Street • Chillicothe, MO 64601



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