

Planning for the Next Generation



Farm Family



Overview of Our Farm & Meat company



Discussion with Family Members

communication, communication, communication



**To bind family together
rather than tear apart.**

Our History



- **Son, Josh & daughter-in-law, Cindy started farming with us in the late 90's**
- **To make right the hard times of 1998, we gave Josh one half the hog operations over several years.**



Our History

- **Farming Partnership was informal in the beginning. We formed it into a Limited Liability Partnership in 2011.**
- **Pastures A Plenty company – S corporation formed in 2000**

Getting to Work

- **Coming up with a plan takes work.**
- **Try to allow plenty of time to plan.**



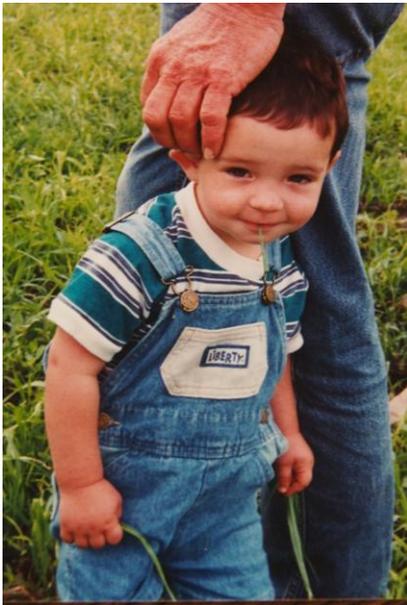
*** No plan is not a good option.**

History

- Grew the meat sales company
- Certified land organic in 1995
- Built farrowing facilities and increased the sow herd
- Started with grass-fed beef
- We have grandchildren that are interested in farming.



**What we are trying
to accomplish in
our transition.**



Our Goals



- **To be fair to all our children**
- **To provide for our own retirement**
- **To help the farm continue**

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**“I have a diversified retirement portfolio: 40% in bones,
30% in squeaky toys and 30% in stuff I stole from the cat.”**

Exploring Options



- + Share Milking
- + Exploring what other farms are doing -
reading, workshops & personal conversations.

+ Advice – Lawyer, Accountant, Insurance agent

+ Trusts/ Life Estates

Present Financial Framework

- LLP owns and finances all farm operations
- S Corporation buys animals from the farm, processes them and sells the meat.
- All land is privately owned.
By Jim & LeeAnn
and Josh & Cindy





LAND

- We gifted 80 acres to Josh. This gives the farming partner a head start on land ownership.
- Josh & Cindy used that equity to purchase 80 acres from his Aunts Carol and Terry.
- Remainder of land goes into life estate for the children.

Farming LLP & meat company

- Farming LLP started 50/50. Is now 60/40. Further changes in ownership will come as we back away from the work.
- Presently meat company ownership is equally split between our two families. We have not established a transition for the meat company.



- **“Problems are a wake up call for creativity.”**

Dan Wilson





- **Discussion**

