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K-State Research and Extension

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Finney County Extension

Kansas State University  
Dept. of Agricultural Economics

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## MEET THE SPEAKERS

### Kevin Dhuyvetter

Kevin Dhuyvetter is a professor and the State Extension director for Agricultural Economics. He assists farmers, landowners, and others throughout Kansas with risk and return assessment of alternative crop and livestock production and marketing systems. He works extensively with land-related issues such as buying and leasing land. Current research projects are looking at factors impacting land values, economics of no-tillage and other crop-related production technologies, the economics of grazing systems, and factors affecting feeder cattle prices and basis. One of Kevin's trademarks is his development of decision tools that can be used to help clientele with the myriad of decisions they face in their operations.

### Rich Llewelyn

Rich Llewelyn is an Extension Assistant in the Department of Agricultural Economics at K-State. Raised on a farm in Riley, KS, he is a graduate of K-State with a PhD in Agricultural Economics in 1995. He then spent 10 years teaching economics and working with urban community development in Surabaya, Indonesia before returning to Kansas in 2006 to work with the *AgManager.info* website and various departmental conferences, including the annual Risk and Profit Conference and the statewide Ag Profitability conferences. He also conducts research on farm management topics, including CRP, and taught the "Price Analysis" class for undergraduates in 2011.



2011-2012



# K-State Leasing & Excel Workshops

December 13, 2011

Southwest Research  
Extension Center

4500 E. Mary St.

Garden City, KS



Kansas State University  
Department of Agricultural Economics

# Schedule & Program Description

## Program Description

Price volatility in recent years, particularly in the grain markets, has led to difficulties for landlords and tenants to successfully determine and negotiate appropriate rental arrangements.

This series of day-long workshops is being offered throughout Kansas to help landlords and tenants manage the risk associated with rental arrangements. Each workshop will be comprised of four parts. The first part will help participants better understand different rental arrangements, including cash rent, share rent, and the recently popular flex-rent arrangement, where rental rates can “flex” depending on changes in prices, yields, or both.

The second part will include a discussion of ethics of leasing. The third section will provide computer training in using Excel spreadsheets. Finally, participants will be introduced to examples of alternative leasing scenarios and a decision-making tool, *KSU-Lease*, will be demonstrated. Participants will then have the opportunity to sharpen their skills via hands-on computer application sessions.

It is critical that producers understand the concepts, mechanics, and implications of alternative forms of leasing land. In addition to cash rent leases and share rent leases, flex-rent arrangements are of particular importance for risk management. These leases allow landlords and tenants to make the terms of the lease flexible, based on variations in crop prices, crop yields, or changes in both. Though relatively simple in concept, these leases can be complex in practice because of the various terms of the lease needing to be defined and agreed upon. Landowners expect less risk to be associated with cash leases (relative to crop share leases), however, depending on the terms of a flex lease, that may not be true. Thus, understanding how these leases work is critical to risk management.

## Schedule

- 9:00 a.m. Registration
- 9:30 a.m. **Introduction to Rental Arrangements**  
Dr. Kevin Dhuyvetter  
*Discuss types of leases available to producers, including cash rent, share rent, and flex-rent.*
- 11:00 a.m. Break
- 11:15 a.m. **Ethics of Leasing**  
Dr. Kevin Dhuyvetter  
*Discuss the ethics of leasing from both sides of the situation.*
- 12:00 p.m. Lunch
- 1:00 a.m. **Using Excel Spreadsheets**  
Dr. Rich Llewelyn  
*Demonstrate and use Excel spreadsheets, including some of the more helpful aspects and functions of spreadsheets for application in a business operation. Includes hands-on use.*
- 1:45 p.m. **Using KSU-Lease.xls**  
Dr. Kevin Dhuyvetter  
*Description and discussion of several alternative leasing scenarios, using cash rent, share rent, and flex rent. Workshop participants will then have a hands-on opportunity to learn how to use KSU-Lease.xls, a spreadsheet decision tool developed to assist landlords and tenants in their ability to evaluate their own situation and create a lease appropriate for their operation.*
- 2:45 p.m. **Summary and Questions**
- 3:00 p.m. **Adjourn**

## 2011-2012 K-STATE LEASING WORKSHOP

Registration

December 13, 2011

Garden City, Kansas

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State/Zip: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**Cost: \$10.00**

**(Includes lunch & materials)**

**Registration deadline:**

**December 8, 2011**

**Send registrations to:**

*Finney County Extension*

501 S. 9th St., Garden City, KS 67846

**More information:**

Dean Whitehill:

620.272.3670 or [dwhitehi@ksu.edu](mailto:dwhitehi@ksu.edu)