

KLA's Value To Members is multidimensional

One of the value cornerstones KLA provides members is troubleshooting on legal, tax and other issues. Paying annual dues gives KLA members access to decades of staff experience with challenges involving state agencies, local government, the legal system and more.

For example, KLA's legal staff knows case law that can help members dealing with fencing disputes, agricultural zoning roadblocks, tax exemption questions and oral farm lease situations, among many others. KLA staff attorneys don't represent members in court, but help litigating attorneys who do by providing background information that often helps positively shape the outcome of legal matters.

In addition to troubleshooting, KLA is there for members when they don't ask for help. Representing members' common business interests in national organizations and discussions is a common occurrence.

There also are many programs conducted specifically for members, including the KLA Young Stockmen's Academy, the KLA Leadership Conference, KLA ranch field days, the Kansas Junior Livestock Show and educational seminars throughout the year. To top it off, KLA plans and carries out one of the largest agricultural conventions in the state, where members can learn, discuss common problems with other producers, socialize and form association policy.

When everything is added up, KLA is there for members at almost every fork in the road and it shows in these examples.

In the process of expanding a feedyard, questions about the application of local zoning statutes arose. KLA clarified counties cannot zone agriculture out, and



that feedyards specifically are included under the definition of agriculture. KLA and members in the area worked with the county to update zoning regulations that fit with state law and

make it clear county zoning permits are not needed for feedyards.

A KLA member called the office after receiving notice from the state that a water tank in front of a windmill was running over and constituting a waste of water. KLA worked with the Division of Water Resources to clarify that was not the case and the well could be operated without shutting off when the tank was full.

A KLA member called the office after cattle were hit on the highway. The member's insurance company was willing to accept

responsibility and settle with the insurance company of those whose vehicles were damaged. In this case, it was clear the owner was not negligent and had a very solid defense in both law and precedent-setting court cases. The information KLA provided absolved the member's insurance company from responsibility for the claim.

As a partner in the Kansas Ag Alliance, KLA participated in a legislative tour for members of the Kansas House and Senate Ag Committees. The tour served as a great opportunity to share firsthand the value of Kansas agriculture and how state and federal policy impacts business opportunities.

When one KLA member was preparing to purchase a large piece of equipment, the individual realized their NCBA membership and associated discounts had lapsed. He called the KLA office and staff processed their NCBA dues payment. That immediately was

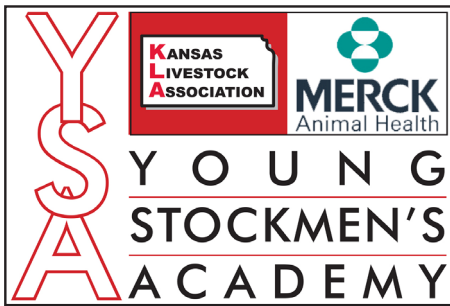


communicated with the NCBA office to make the member again eligible for a significant amount of savings through the member discount on equipment. Remember, NCBA members

save up to \$2,500 on qualifying Caterpillar, John Deere and New Holland equipment.

A KLA member called the office with questions about implementing a drug and alcohol testing program at their operation. KLA had held a seminar on the same topic and provided a draft policy to the member. As more and more businesses implement testing policies, those that don't can become the place those with a substance abuse problem seek out. Such a policy can be the foundation of providing a safe workplace for employees.

Leadership, advocacy, partnership and education are a few of the words one participant used to describe what he got out of his year in the KLA Young Stockman's Academy (YSA). From exposing members to various aspects of KLA, to learning more about the legislative process, to seeing the benefits of getting involved in industry advocacy and everything in between, YSA has provided young ranchers and stakeholders an opportunity to improve industry leadership skills and become more involved in KLA.



A KLA member in the process of buying a feeding operation contacted KLA with questions. KLA staff answered questions about the regulations that apply to such a facility and conducted a review of the facility's file and water right status. KLA and KLA Environmental Services staff members are available to provide a number of services during the purchase of a confined feeding facility.

A producer called the KLA West office in Scott City for help with a sales tax question on utilities. Upon reviewing their bill they saw sales tax was being charged for energy used in the production process. The producer was completing a form provided by the state to claim the exemption, but was confused by which box to check, "agriculture" or "consumed in production." KLA staff clarified that choosing "consumed in production" would be for both state and local sales tax. Under "agriculture" only the state portion is exempt. Regulations on sales tax exemptions can be confusing,

but thousands of dollars can be saved by making sure you are claiming the correct exemption.

KLA is a founding member of the U.S. Roundtable for Sustainable Beef. The group has a diverse membership, but nearly 50% of its members are beef producers and producer associations. Through this organization, producers have the opportunity to shape the beef sustainability conversation.

A KLA member called after the Kansas Highway Patrol had asked for assistance gathering and holding a stray found on the highway. KLA explained the process that exists for dealing with unclaimed stray cattle.

After the Court of Appeals held that feed trucks met the definition of farm machinery and equipment and were exempt from property taxes, KLA staff fielded a number of member questions and assisted in conversations with local county appraisers to help get feed trucks off the tax rolls.

A member had trouble with a form to become exempt from certain sales taxes on utilities. KLA was able to work with the Kansas Department of Revenue to calculate the correct exemption percentage when two different exemptions applied.

During a recent call to KLA, a member wanted to confirm how to terminate an oral farm tenancy. Staff verified the process requires written notice at least 30 days prior to March 1.

KLA staff was called regarding the agricultural and consumed-in-production exemptions from sales tax on utilities. Because this requires a utility

study to determine the percent exempt from sales tax, KLA helped explain and modify a utility study for the member.

A member called with a question regarding the responsibility of a neighboring landowner to build and maintain a fence. KLA staff provided the member a packet of frequently asked questions regarding fence laws and explained how adjacent landowners are required to equally share the responsibility.

A call came into the KLA office posing a question about purchasing a boar goat when the seller retains breeding rights. KLA staff was able to write a memorandum helping to explain what that retention may mean. Using the information from KLA, the member was able to negotiate more effectively.

A member called with a concern about the intrusive questions on a local agricultural appraisal survey. KLA met with the Kansas Department of Revenue, other agricultural associations and a number of county appraisers to voice concerns over the survey and encourage the development of a less intrusive survey.

Feedyards, dairies and swine operations can complete expansion and renovation projects exempt from sales tax by applying for a special permit. KLA has helped a number of members take advantage of this valuable exemption. Members considering a project should call the KLA office first.



A member wanted to build a farmhouse on property he owned, but was running into adverse zoning regulations. KLA provided him with materials indicating agricultural uses, including a farm residence, are exempt from zoning regulations. After further pushback from zoning officials, KLA was able to refer this member to a litigating attorney who helped resolve the issue, allowing the member to move forward with construction.