

Thoughts about Having a Family Meeting

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Most family disputes with farm/ranch transition/succession usually go back to poor or improper communication within the family. Most could be avoided with better communications. One way to improve communication is to have a family meeting at the beginning of the process. Here are some thoughts on having this meeting:

1. Be sure that the grandparents, or the decision makers of the family are on the same page. Do they want and/or are they willing to value the input from the rest of the family? Are they ready to put together a plan for their assets? They have to agree first.
2. For the first meeting – and first meeting only – invite all adult family members to participate. Provide electronic means for those not able to attend in person. Be sure to include both on-farm and off-farm (or ranch) family members. This includes grandparents, parents, spouses, grandchildren (of adult age).
3. The purpose of this first meeting is to get input only. It needs to be tightly controlled. When giving input, there needs to be strict ground rules. Things like:
 - a. No evaluation of suggestions. Members of the family have to listen to all ideas. No one gets to criticize any idea brought forward.
 - b. When giving input, no member of the family gets to dominate the discussion. Meaning that all members are given the chance for input prior to any member giving input the second, or third time.
 - c. Take notes, record the ideas.
4. There will need to be follow-up meetings. For those decision making gatherings, the Golden Rule should apply. The Golden Rule in this case is: “Those who have the gold, make the rule.”
 - a. So the number of people at follow-up meetings will be drastically reduced. Maybe the decisions are made by Grandpa and Grandma – no one else.
 - b. Or, if decision makers include the children, the recommendation is that no spouses or grandchildren be included in the decision making portion of the discussion.
5. The vision for the transfer of the farm/ranch business or distribution of assets should be developed prior to thinking about the ‘tool’ you’d use to execute this plan. Too often families worry about the trust, LLC, or the will and confusion reigns. Have a plan**. A competent lawyer will help execute the plan with the correct tools after the plan is laid out.

****Have a Plan:**

- If the farm/ranch business is ending, then the plan consists of details about how to end the operation and how to disperse assets, to whom and when.
- If the Farm/Ranch business is continuing to another generation, then the plan will need to consider how assets are transferred. Consideration would need to be given to having appropriate income for the older generation, income for the succeeding generation, and proper consideration of the non-farm/ranch family members.
- For more information, please refer to: **Fairness in the Farm/Ranch Estate Planning** at: <https://agecon.unl.edu/succession/succession-fairness-estate-planning.pdf>

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