



# Missouri DISTRICT 4 NEWSLETTER

NOVEMBER 2009



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## Direct and Guaranteed Loans Available

FSA makes and guarantees loans to family farmers and ranchers to promote, build and sustain family farms in support of a thriving agricultural economy. FSA's loan programs are designed to help family farmers obtain loans and loan guarantees, and conduct business planning. In many cases, these are beginning farmers who need additional financial and business capacity to qualify for commercial credit. In other cases, they are farmers who have suffered financial setbacks from natural disasters, or who need additional resources with which to establish and maintain profitable farming operations.

Some farmers obtain their credit needs through the use of loan guarantees. Under a guaranteed loan, a commercial lender makes and services the loan, and FSA guarantees it against loss up to a maximum of 90 percent in most cases. FSA has the responsibility of approving all eligible loan guarantees and providing oversight of lenders' activities.

For those not yet meeting the qualifications for a loan guarantee from a commercial lender, FSA also makes direct loans, which are serviced by an FSA official. The Agency helps applicants evaluate the adequacy of the real estate and facilities, machinery and equipment, financial and production management, and the farmer's goals. FSA assists the applicant in identifying and prioritizing areas needing improvement in all phases of the operation. An FSA official then works one-on-one with the farmer to develop and help strengthen the identified areas that ultimately result in the farmer's graduation to commercial credit.

Contact your FSA office for more information or for an appointment with a loan official.

### November Interest Rates

Operating	2.875%
Farm Ownership	4.75%

## Payment Statements Different than in the Past

As DCP and CRP disbursement statements hit mailboxes, producers are noticing that change is again underway. With a new payment process and mounting software issues, County office employees have been scrambling to get payments out to producers. The majority of payments have been issued, however, there are still some payments being held up by nationwide software issues. Your patience is appreciated during this transition and we hope to have these issues resolved soon.

Producers are advised to review all disbursement statements closely to determine the amount deposited to your bank accounts. For DCP, anyone who received an advance payment earlier this year will now show an equal amount offset to Commodity Credit Corporation. This was basically a one-time process for 2009 to correct software problems during advance payments. To explain though, the offset was calculated by adding all advance payments issued from all counties and then deducting this from the first farm or county to issue a payment. On your statement, the "Program Payment Detail" lists the entire DCP farm payment due for the crop year. Below this is the offset amount and then the final figure should be the net amount deposited to your bank account. Again, thank you for your patience while we work through the kinks of a new system, and please feel free to call FSA with any questions concerning your payments.

## SURE Program Sign-up Expected

The Supplemental Revenue Assistance Program (SURE) is a permanent disaster program created by the 2008 Farm Bill that replaces the previous “ad hoc” crop disaster program. This revenue based program compares crops’ expected revenue and program guarantee dollar amount to the actual crop revenue of the entire farming operation. Entire farming operation refers to all farms, all interests, in all counties.

In order to be eligible for payments under SURE, you are required to carry insurance on all crops with an economic significance of 5% or greater, within the farming operation. Crop insurance coverage of CAT level or higher for insurable crops and/or NAP coverage for non insurable crops is required. In 2009 and subsequent years, RMA’s Rainfall index policy is acceptable coverage for hay acres. For the SURE program, grazing acres do not require coverage.

### FCIC Application Closing Dates

November 30, 2009	Rainfall Index Policy
March 15, 2010	All insurable crops

### NAP Application Closing Dates

November 20, 2009	Apples, Apricots, Grapes, Nectarines, Peaches, Pears, and Blueberries
December 1, 2009	Honey (ineligible for SURE)
December 31, 2009	Potatoes

The SURE program is available to eligible producers if two ‘triggers’ are met. First, the county must have received a Secretarial Disaster declaration due to Natural Disaster, or be contiguous to a county with the declaration. Second at least one crop of economic significance must have a 10% crop production loss. In the absence of a secretarial declaration, any farm in which actual production for all crops is 50% of normal production may also qualify. All counties in District 4 have

a 2008 Secretarial Disaster Declaration or are contiguous to a county that does, except Johnson County.

For qualifying producers, if the total farm revenue is less than the SURE program guarantee, the SURE payment is made at 60% of the difference. The SURE guarantee is very similar to a producer’s crop insurance guarantee, so, depending on the coverage levels, the higher the coverage the higher the guarantee level will be. Payments can be calculated and pay up to 90% of the crops normal production on the farm. There is an online calculator that can help producers estimate probable payments. You may access the calculator at [www.fsa.usda.gov/mo](http://www.fsa.usda.gov/mo).

Sign up for the SURE program is anticipated in the near future. To initiate an application, eligible producers should visit their local county FSA office. Office personnel will be able to access RMA informational downloads with applicable data. If a producer has production evidence that is not obtainable through the RMA download, i.e. double crop soybeans, hay/forage, fruits and/or vegetables, the producer must bring that production evidence with them.

Regardless of insurance type or coverage level, there is economic stimulus funding that has created additional options under the SURE program. Every producer and every farming situation will be different, so it is in the best interest of each producer to inquire about the SURE program.

Since the SURE program is available through 2011, as a producer, you can prepare your operation for SURE eligibility by insuring all economically significant crops in all counties. The tables above provide some upcoming closing dates for insurable crops.

## DISTRICT 4 OFFICES

Jasper Grant · District Director  
Cooper County · 660.882.5647

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Annette Steelman · CED  
535 N Hwy 65  
Lincoln, MO 65338  
660.547.2351  
8:00-4:30 M-F

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Charles Riley · CED  
Annette Brandt · FLM  
1405 Hwy 65 N, Suite A  
Carrollton, MO 64633  
660.542.8732  
7:00-4:30 M-F

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Julie Stoecklein · CED  
Jared Weydert · Actg FLM  
104 S JFK Ave  
Keytesville, MO 65261  
660.288.3279  
7:45-4:30 M-F

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Randon Leathers · CED  
17066 Highway 87  
Boonville, MO 65233  
660.882.5647  
8:00-4:30 M-F

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William Spry · CED  
1306 N 2nd Street  
Clinton, MO 64735  
660.885.5567  
8:00-4:30 M-F

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Brian McDonald · CED  
743 State Route DD  
Fayette, MO 65248  
660.248.3384  
7:45-4:30 M-F

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Kyle Meyer · CED  
727 PCA Road Suite A  
Warrensburg, MO 64093  
660.747.8400  
7:30-4:30 M-F

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Brett Gilland · CED  
Brian Bagnell · FLM  
120 W 19th Street  
Higginsville, MO 64037  
660.584.8732  
8:00-4:30 M-F

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Jay O’Bannon · CED  
Steven Lair · FLM  
1407 W 32nd Street  
Sedalia, MO 65301  
660.826.3339  
8:00-4:30 M-F

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Eddie McKeown · CED  
2995 County Rd 1325  
Moberly, MO 65270  
660.263.1169  
8:00-4:30 M-F

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Jarrell Foreman · CED  
500 Wollard Blvd.  
Richmond, MO 64085  
816.776.5861  
8:00-4:30 M-F

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Jared Singer · CED  
704 N Miami  
Marshall, MO 65340  
660.886.7447  
7:45-4:30 M-F

## County Committee Nominees

Beginning June 15, FSA offices throughout the nation accepted nominations for this year's county committee election. The nomination period closed on August 3. Nominees for each county in District Four are listed below, along with the Local Administrative Area (LAA) up for election, and each county's regularly scheduled meeting time. Please note that meeting days and times may change periodically due to scheduling issues.

These producers' willingness to serve the farmers in their county helps FSA's unique county committee system continue to be effective in implementing federal farm programs at the local level.

Do your part by returning your voted ballot for the candidate of your choice. Ballots have been mailed to eligible voters and must be returned or postmarked by no later than December 7, 2009.

If you did not receive a ballot and believe you should have, contact your FSA office. The newly elected members will take office January 1, 2010.

County	LAA	Nominee(s)	Regularly Scheduled Monthly Meeting
Benton	3	John Mehrens	3rd Thursday—8:30 am
Carroll	1	Van S Hudson	Thursdays—8:00 am
Chariton	1	William Wilkey	1st Tuesday—8:30 am
Cooper	2	N Dianne Sites	2nd Tuesday—9:00 am
Henry	3	Darlene Baskins, Freddie Anderson	2nd Friday & 4th Thursday—1:30 pm
Howard	2	Fred Bockting Jr., Jarred Meyer, Fred C Weiker	2nd Thursday—1:00 pm
Johnson	2	Larry Brunner	3rd Wednesday—9:30 am
Lafayette	3	David Lueck	3rd Friday—8:00 am
Pettis	1	Frank Dow	2nd Tuesday—9:00 am
Randolph	2	Mike Heath, Donald Ross	3rd Thursday—9:00 am
Ray/Clay	1	Dwight McMullen	1st Tuesday—8:30 am
Saline	2	Dale Miles	2nd Thursday—9:00 am

## Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils must be in compliance with tillage, crop residue, and rotation requirements as specified in their conservation plan. Contact should be made to the USDA Service Center prior to any land clearing or drainage projects to insure compliance, which is recorded on form AD-1026. Contacting your USDA Service Center prior to taking any action can save you time and money later, as HEL and WC violations can be very costly.



▲ Edna Durham

*"I have enjoyed working with the Farm Service Agency as a county committee member. I will always do whatever I can to help the farmers of this area. Working on the Committee keeps you updated on the programs available to farmers. I like that.*

*I would encourage more farmers to become involved with the election process at FSA. You could be a candidate for election, nominate someone for election, or just make sure you vote at election time.*

*Your input is important!"*

*Edna serves on the Saline County Committee as Vice-Chairperson. She and her sons, Gary and Ralph, have a diversified grain and livestock operation near Blackwater.*

## Risk Management

FSA and the Risk Management Agency (RMA) work together to prevent fraud, waste, and abuse in the Federal Crop Insurance Program. FSA assists by monitoring crop conditions during the season, auditing claims as necessary, and referring suspected cases of fraud to RMA. Producers may report suspected cases of fraud, waste, or abuse to FSA, RMA or the Office of the Inspector General.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

## Commodity and Facility Loans Available

As in past years, FSA has loans available to eligible producers on farm-stored or warehouse-stored grain. The loan rate varies by county and is determined by the location the grain is stored. The rate for loans disbursed in November is 1.375%. Participants have up to nine months to repay the loan. The interest rate will change once in January, but is otherwise fixed for the term of the loan. Grain produced on a farm enrolled in the ACRE program received a reduction in the loan rate of 30 percent. Therefore producers need to track production from ACRE farms accordingly.

FSA also continues to have the Farm Storage Facility Loan (FSFL) program available. The 2008 Farm Bill provided for some changes to the program as outlined below:

### FSFL November Interest Rates

7 years	3.000%
10 years	3.375%
12 years	3.625%

#### *Things that have changed:*

- Previously, the most a producer could have outstanding in FSFL loans was \$100,000. The new maximum principal amount is \$500,000 per loan, and there is no limit per borrower, provided that repayment ability is demonstrated.
- Loan terms of 7, 10, or 12 years are available depending on the loan amount.
- The program can now be used to finance the construction of facilities to store hay, renewable biomass, and fruits and vegetables.

#### *Things that have not changed:*

- The loan must be approved before any site preparation or construction can begin.
- Participants are required to provide a down payment of 15 percent.
- Loans are still available for grain bins.

The Interest Rate is fixed for the term of the loan and there is no penalty for early repayment. Loans in excess of \$50,000 require real estate as security for the loan. Borrowers must also demonstrate a need for the storage capacity the structure will provide.