NEWSLETTER

MISSOURI DISTRICT 5

Boone, Callaway, Cole-Miller, Franklin, Gasconade, Moniteau, Montgomery, Morgan, Osage-Maries, St. Louis-St. Charles, and Warren

District 5
Michelle Motley
District Director
Phone: 573-239-5047

December 6, 2010

Boone County FSA
Phone 573-875-5540

Callaway County FSA
Phone 573-592-1400

Cole-Miller County FSA
Phone 573-893-5196

Franklin County FSA
Phone 636-583-2303

Gasconade County FSA
Phone 573-437-4131

Moniteau County FSA
Phone 573-796-4691

Montgomery County FSA
Phone 573-564-2262

Morgan County FSA
Phone 573-378-4589

Osage-Maries
County FSA
Phone 573-897-2138

St. Louis-St. Charles
County FSA
Phone 636-922-2833

Warren County FSA
Phone 636-456-3433

Visit our Website at:
www.fsa.usda.gov/mo

New Format for Newsletters

Does the District 5 Newsletter look different to you? We have a new format to help producers better recognize FSA. The goal is to better serve the needs of our clients by having the same information available to all producers. Whether you are in Missouri or Michigan the newsletter should have the same format and design. Keep looking in your mailbox for the next addition of the Missouri District 5 Newsletter, we hope you find it full of great information that helps you better understand our programs and benefits.

Annual DCP/ACRE Sign-Up

FSA offices are now enrolling producers for the 2011 DCP (Direct and Countercyclical) and ACRE (Average Crop Revenue Election) annual programs.

The sign-up period will end June 1, 2011. Contracts are approved after all producers have signed the contract.

For 2011, eligible producers may request to receive an advance payments based on 22% of their direct payment. Advance payments can be requested for December 2010.

Letters From IRS?

Important Instructions for Producers

Did you receive a letter from the Internal Revenue Service? If so, it is VERY important that you respond. The letter was sent to inform producers that the IRS had not received the proper forms to verify the 2009 and 2010 Adjusted Gross Income certifications.

From 2009 forward, payment eligibility requires all program participants provide written consent to IRS for the disclosure of certain information to FSA.

If you received this letter, please return the required forms quickly. You may visit your local office to obtain the forms.

Farm Payments and Tax Forms

Producers who earned 2010 payments from FSA should receive their CCC-1099-G in late January. The CCC-1099-G is a tool to help participating producers report taxable income. When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. Refunds are no longer reported on the 1099-G.

If you have a question concerning any of the 1099-G information, you may always contact your local FSA office for assistance locating the correct payment data.

CRP General Sign-Up Expected

FSA anticipates a Conservation Reserve Program General Sign-Up in the spring of 2011. Producers are reminded that land **must** be physically capable of being cropped to be offered for the CRP sign-up.

Watch for more details next spring for the sign-up dates and information.

The last general sign-up had an acceptance rate of 98%.

> "Another CRP General Sign-Up is expected in the spring of 2011"

Marketing Assistance Loan

Grain loans are a good way to obtain fall money while waiting to market your stored 2010 crops.

Loan terms are 9 months and the December interest rate is a low 1.25%.Commodities eligible for farm stored loans must have been produced by an eligible producer, be in existence at the time of the request, be in a storable condition, and merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. Farm-stored loan requests can be certified quantities or your county office can provide a measurement service. Warehouse loans are also available.

Other requirements include complying with conservation and wetland protection requirements; reporting all cropland uses on the farm and ensuring that the commodity meets CCC minimum grade and quality standards. Participation in the Direct and Counter-Cyclical Program is not required to be eligible for a loans.

Beneficial interest must be retained while the loan is outstanding. Beneficial interest means keeping the ability to make decisions about the harvested crop; responsibility for loss or damage to the grain; and title to the grain. Once beneficial interest is lost, the commodity is ineligible for loan, even if you regain beneficial interest.

Violations of the loan program may trigger administrative actions, such as calling the loan, assessing liquidated damages, and denial of any future farm-stored loans. The two most common violations are: removing or disposing of the loan collateral without prior authorization, or providing an incorrect quantity certification on the original loan request.

Farm Storage Facility Loans

Did you need more storage capability for your farming operation? Low cost loans for storage facilities continue to be available from FSA for producers to build or remodel farm storage facilities for a variety of commodities.

FSFL loans approved in December will have a **2%** interest rate for the seven year loan

New Financial Service Website Available

The Farm Service Agency has developed a new website which allows producers to conveniently view their financial information and conduct FSA business. The website is accessible to producers who have registered for e-Authentication Level 2 access. Producers may register for an e-Authentication Level 2 account at www.eauth.egov.usda.gov.

After obtaining a Level 2 account, producers may access the Financial Services website to view summary and detailed information about specific payments, collections, outstanding debt (excluding loans) and CCC-1099-G statements. This information can be helpful for record keeping and income tax preparation.

Also through the website, producers may conduct FSA business activities such as assigning a payment to a third party, request that a payment be made jointly to themselves and a third party, or route their payments to be direct deposited into their bank account.

> "This is a new website which allows producers to conveniently view their financial information and conduct FSA business."

The Financial Services website is http://www.fsa.usda.gov/fmi. If you have any questions about obtaining an e-Authentication Level 2 account, or regarding the Financial Services website, please contact your local FSA county office.

Selected Interest Rates for November 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.000%
Farm Ownership and Conservation Loans — Direct	4.125%
Limited Resource Loans	5.000%
Farm Ownership Loans —Beginning Farmer Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loan -- 7 year	1.875%
Farm Storage Facility Loan -- 10 year	2.500%
Farm Storage Facility Loan -- 12 year	2.750%
Sugar Storage Facility Loans	3.125%
Commodity Loans 1996-Present	1.250%

Farm Ownership Loans

FSA offers a variety of opportunities to help purchase farms

FSA offices are experiencing increased interest in direct real estate loans. All FSA direct loans can be used for initial purchase of real estate, including farms purchased at auctions. All FSA direct loans, including loans to purchase farms at auctions, can be used for initial purchase of real estate. With respect to purchases at auctions, time frames for FSA loan processing should be a consideration as FSA cannot approve loans prior to the applicant providing an approved purchase contract. We offer the following loan programs for farm purchases:

- Direct Farm Ownership Loan- $300,000 maximum loan amount with fixed interest rate.
- Direct Farm Ownership Joint Financing Loan with FSA and Participating Lender-FSA will loan 50% of total amount financed or $300,000, whichever is less, with fixed interest rate. Participating Lender will loan the remaining needed funds.
- Beginning Farmer Down payment Loans-Applicant will pay 5% down payment, FSA will loan 45% of purchase price or $225,000, whichever is less, with fixed interest rate. Participating Lender will loan 50% of purchase price.

Please contact your local FSA Office for additional information regarding any of these programs.

Attention : Husbands and Wives

A husband and wife may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office from either spouse.

Husbands and wives, like other entities, who have "official" joint ventures or partnerships must have a power of attorney on file to sign for the entity.

Ruts May Result in Penalties

Conservation Compliance Important to Remember for 2011

This year's above normal rainfall caused damage to fields. During harvest many producers discovered that fields were damaged by erosion. In some cases the damaged fields will need a little TLC prior to spring planting.

Conservation compliance is still required for participation in farm programs. Producers need to review their Conservation Plan of Operation (CPO) with NRCS. **Extra tillage trips to remove ruts and level fields may require a temporary variance** to the CPO in order not to be in violation of conservation compliance. Contact your local FSA or NRCS before fieldwork begins to protect program eligibility. HEL and WC violations can be very costly. Producers are encouraged to contact the local service center before taking any action.

FSA Continues New Conservation Loan Program

FSA is now making direct and guaranteed conservation loans to help farmers and ranchers implement conservation measures on their land. FSA's traditional loan program eligibility requirements regarding family sized farm, test for credit, and graduation do not apply to this program. These exceptions will allow FSA to provide conservation financing to more farmers.

The direct conservation loan limit is $300,000, the guaranteed conservation loan limit is $1,112,000. Conservation loan applicants will work with the Natural Resources Conservation Service (NRCS) to develop an approved conservation plan.

Examples of eligible conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; and manure management, including manure digestion systems.

County Office Information

Boone
601 Bus Loop 70W, Suite 213E
Columbia, MO 65203
Kim Viers, CED
COC Meets 2nd Tues. @ 8:30 am.

Callaway
4549 State Rd H
Fulton, MO 65251-5465
Darrell Campbell, CED
Mark Mudd, FLM
COC Meets 2nd Tues. @ 9 am.

Cole-Miller
1911 Bogg's Creek Road
Jefferson City, MO 65101
Drew Parmley, CED
Kelly Volmert, FLM
COC Meets 1st Wed. @8:30 am.

Franklin
1004 Vondera Ave., Suite 1
Union, MO 63084-3122
Sheria Yancey, CED
COC Meets 1st Wed. @ 8:00 am.

Gasconade
316 Olive Street
Owensville, MO 65066
Abby Inglis, CED
COC Meets 2nd Thurs. @ 8:45 am.

Moniteau
410 West Buchanan
California, MO 65018
Daryl Raithel, CED
COC Meets 3rd Thurs. @ 9 am.

Montgomery
1013 South Sturgeon
Montgomery City, MO 63361-2700
Priscilla Eggering, CED
COC Meets 1st Tues. @ 9 am.

Morgan
100 S Burke Street
Versailles, MO 65084
Dennis Schad, CED
COC Meets 2nd Fri. @ 9 am.

Osage-Maries
1315 East Main Street
Linn, MO 65051
Randy Frisbee, CED
COC Meets 2nd Thurs. @ 8:30 am.

St. Louis-St. Charles
160 St. Peters Centre Blvd.
St. Peters, MO 63376
Connie Gibson, CED
COC Meets 2nd Wed. @ 9am

Warren
635 W. Booneslick RD
Warrenton, MO 63383
Ryan Eddy, CED
COC Meets 1st Mon. @ 9 am

District 5 Farm Service Agency
601 Business Loop 70W, Suite 213E
Columbia, MO 65203
Official Business

USDA United States Department of Agriculture

PRESORTED STANDARD
U.S. POSTAGE PAID
Columbia, Missouri
PERMIT #230

Janice Dierking Retiring

Jan has been with FSA for over 31 years and will be retiring at the end of the year. An open house in her honor will be held at the Franklin County FSA Office December 14, 2010 from 10:00 am to 4:00 pm. Please come and join us to celebrate her many years of service to Franklin County.

Dates to Remember	
Dec. 24	Christmas Day Holiday **USDA Service Centers Closed.**
Dec. 31	New Year's Day Holiday **USDA Service Centers Closed.**
Jan. 1	Elected Committee Members and alternates take office.
Jan. 17	Martin Luther King, Jr Birthday. **USDA Service Centers Closed**

Of Current Producer Interest:
• Wheat, Barley, Other Small Grain Acreage Reporting
• DCP/ACRE Sign-Up
• Marketing Assistance Loans
• Farm Storage Facility Loans.
• Continuous Conservation Reserve program.

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