

Missouri District 5

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

United States
Department of
Agriculture

December 13, 2006

Farm Service Agency

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Report of Payments to Producers

A summary of all earned payments during the 2006 calendar year will be mailed to you during the last week of January 2007.

The Kansas City processing office will send your payment statement on form CCC-1099G.

County office personnel cannot provide tax advice regarding issued payments, so please contact your personal tax consultant or the IRS regarding those questions.

2007 DCP Sign-Up

The annual sign-up for the Direct and Counter-Cyclical Program will continue through June 1, 2007. Farm producers must sign a new DCP contract (CCC-509) each year on every participating farm they own or operate prior to receiving any payment. Advance payments are available beginning in December.

The CCC-509 contract includes base acres, payment acres, payment yields, producer payment shares, advance direct and counter-cyclical payment selections. All owners and operators on the farm must sign the CCC-509.

The following documents are required to be submitted or on file before the county committee can approve a producer's share for payment: an average adjusted gross income certification (CCC-526); a certification of compliance with highly erodible land and wetland conservation provisions (AD-1026), and payment eligibility forms.

Producers can "opt out" of participating in the DCP for any year without jeopardizing participation in future years.

DCP Advance Payment Changes

On February 8, 2006, the President signed the Agricultural Reconciliation Act of 2005 into law which provides modifications to the DCP advance direct payment percentage for the 2006 and 2007 crop years. **For contracts enrolled for the 2007 contract year, the requested advance payment rate will be 22%.** However, the total direct payment will not be affected.

Offices Perform Eligibility Reviews

Over the next couple of months, Missouri FSA county offices will be conducting an in-depth review of the documents used to support producer eligibility. The review is the Agency's effort to ensure the accuracy of all payments made. This process takes great attention to detail and more time. As a result, some payments may not get to you as quickly as in the past.

You can assist with this process by contacting your local office before dropping in to sign-up for programs or request program payments. In addition, if you wish to receive the 2007 advance DCP direct payment for the month of December, contacting your county office immediately may increase your likelihood of receiving this payment due to the required review of your eligibility file before payment disbursement.

Although the eligibility reviews may consume more time of the county office employees, FSA remains committed to outstanding customer service and timely distribution of payments to producers.

CRP Participants Receive Offers

Some producers with current CRP contracts have been contacted by private businesses and banks with discounted lump sum offers to 'buy-out' their CRP contracts. Producers are cautioned to investigate these offers thoroughly before signing any paperwork that transfers the remaining payments to someone else.

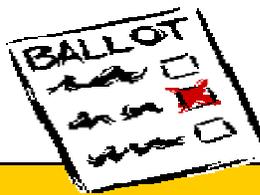
Newsletter Changes

You may have noticed a difference in this newsletter. Since Districts Five and Six have recently changed boundaries, the new FSA District 5 newsletter will be sent approximately 5 times per year and will cover items of interest to all the counties contained within the new district lines. The Missouri State FSA office receives our newsletter electronically; prints, addresses and mails it to you from Columbia, Missouri.

Providing a district newsletter saves time and money; however, the central address database may contain some outdated information, including the names and addresses of deceased producers. **If you find an error in the way your newsletter is addressed, please contact your local county office staff.**

County Committee Elections

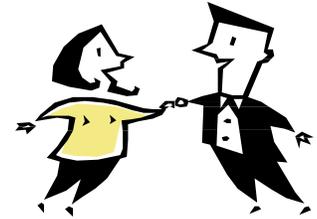
The Farm Service Agency County Committee elections were recently held. The following persons were elected for a three year terms to serve their counties effective January 2007.



District 5 Elections			
County	LAA	Townships	Elected Committeeperson
Boone	2	Perche, Katy, Missouri, Rock Bridge	Troy Douglas
Callaway	3	Shamrock, Nine Mile Prairie, Auxvasse, St. Aubert, Caldwell, Cote Sans Deffein	Eugene 'Butch' Richards
Cole /Miller	2	Osage, Liberty	Leon Pleus
	5	Glaze, Richmond, South Osage, South Equality	Marvin Patterson
Franklin	3	Meramec, Boone and Lyon west of Hwy 185	Carl Danz
Gasconade	3	Brush Creek, Bourbois, Canaan	Neil Kramme
Moniteau	3	Walker, Linn	Doug Strein
Montgomery	3	Prairie, Upper Loutre	Bradley Scramek
Morgan	3	Moreau, Osage	Miriam Koerner
Osage/Maries	1	Benton, Linn (Osage Co)	Kent Kuschel
	2	Jackson, Washington (Osage Co)	Allan Scheulen
St. Charles	3	St. Charles, Portage	Dennis Dunkmann
St. Louis	3	Meramec	Clarence E. Graeler
Warren		Hickory Grove, Elkhorn and Charrette	Allan Wehrman

Special Accommodations

Reasonable accommodations will be made upon request for individuals with disabilities, vision or hearing impairment to attend or participate in meetings and events sponsored by FSA. If accommodations are needed, individuals should contact the county FSA office staff directly or by phone.



Attention :
Husbands and Wives
A husband and wife may sign documents of 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.

December Select Interest Rates

- ◆ Farm Operating-Direct 4.375%
- ◆ Farm Ownership Direct 5.125%
- ◆ Limited Resource 5.00%
- ◆ Farm Ownership-Direct Down Payment or Beginning Farmer 4.00%
- ◆ Emergency 3.75%
- ◆ Farm Storage Facility 4.625%
- ◆ Commodity Loans 6.0%

Failure to keep FSA records up-dated can result in the loss of benefits and a refund of payments already received

Farm Record Changes

If you have bought, sold or are renting different land, make sure you report the changes to the staff at your local FSA office as soon as possible so farm records can be updated.

If your legal status has changed from an individual to a trust or other entity such as a LLC, please provide the new tax ID names, numbers and a copy of written signature authority so payments can be correctly issued. For farm ownership changes, owners will need to provide a copy of the recorded deed or land contract.

Payment Limitation/Eligibility

USDA payments and benefits are subject to producer eligibility and payment limitation provisions as defined by law.

Payment Limits:

<u>Program</u>	<u>Annual Limitation</u>
Rental Payments (CRP)	\$50,000.00
Direct Payments (DCP Program)	\$40,000.00
Counter-Cyclical Payments (DCP Program)	\$65,000.00
Loan Deficiency Payments	\$75,000.00

Eligibility:

To receive any FSA payment, no matter what the amount, the payee must be determined “actively engaged” in farming by contributing a mixture of land, capital, equipment, labor, and management, depending on the type of farming operation involved. Entities such as corporations, limited partnerships, trusts, limited liability companies, and estates are required to provide the names, addresses, and ID numbers of their members.

It is the producer’s responsibility to report changes in the operation which may affect their eligibility or a limitation.

Farm Divisions-Designation by Land Owner

A farm division becomes necessary when a change occurs in the ownership or operation of a part of a farm. These are the methods for dividing a farm:

- ◆ Estate
- ◆ Designation by Landowner
- ◆ DCP Cropland (applicable to base acres for tract divisions only)
- ◆ Default (applicable to base acres for farm divisions only).

The Designation by Landowner method divides any acreage bases in the manner agreed to by the original farm owner and the new purchaser **prior** to the sale. This method is used when part of a farm or a tract is sold. To use this method, the land that is sold must have been owned for at least three years, and the owner of the parent farm and the purchaser must file a signed written agreement (FSA-155) designating the bases. To be effective for the current fiscal year, the farm division must be requested by the earlier of August 1st of the fiscal year for DCP farms or the date planting begins.



Bank Account Updates?

Please notify your local office of any changes to your banking information. Changes in banks, account numbers and closed accounts result in delayed payments.

District 5 Service Centers

Karl Althage, District Director

Boone
Kim Viers, CED
601 Bus Loop 70W
Columbia, MO 65203
573-875-5540 FAX 573-875-5547
COC Meets 2nd Tues. @ 8:30 am.

Callaway
Darrell Campbell, CED
4549 State Rd H
Fulton, MO 65251-5465
573-592-1400 FAX 573-592-1450
COC Meets 2nd Tues. @ 9 am.

Cole-Miller
Drew Parmley, CED
Rick LePage, FLM
1911 Bogg's Creek Road
Jefferson City, MO 65101
573-893-5196 FAX 573-893-7238
COC Meets 1st Wed. @ 8:30 am.

Franklin
Sheria Yancey, CED
1004 Vondera Ave., Suite 1
Union, MO 63084-3122
COC Meets 3rd Wed. @ 8:00 am.

Gasconade
Sharon Borgmann, CED
316 Olive Street
Owensville, MO 65066
573-437-4131 FAX 573-437-4771
COC Meets 2nd Thurs. @ 8:45 am.

Moniteau
Daryl Raithe, CED
410 West Buchanan
California, MO 65018
573-796-4691 FAX 573-796-4520
COC Meets 3rd Thurs. @ 9 am.

Montgomery
Priscilla Eggering, CED
1013 South Sturgeon
Montgomery City, MO 63361-2700
573-564-2262 FAX 573-564-3967
COC Meets 1st Tues. @ 9 am.

Morgan
Dennis Schad, CED
100 S Burke Street
Versailles, MO 65084
573-378-4589 FAX 573-378-6163
COC Meets 2nd Fri. @ 9 am.

Osage-Maries
Randy Frisbee, CED
1315 East Main Street
Linn, MO 65051
573-897-2138 FAX 573-897-4107
COC Meets 2nd Thurs. @ 8:30 am.

St. Charles
St. Louis
Brian Mulherin, CED
160 St. Peters Centre Blvd.
St. Peters, MO 63376
636-922-2833 FAX 636-922-2840
COC Meets:
St. Charles-3rd Wed. @ 9am
St. Louis-3rd Thur. @ 9am

Warren
Ray Ridder, CED
635 W. Booneslick RD
Warrenton, MO 63383
636-456-3433 FAX 636-456-3712
COC Meets 1st Mon. @ 9 am



United States Department of Agriculture
Farm Service Agency
Boone County
601 Bus Loop 70W
Columbia, MO 65203

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C., 20250-9410, or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

Dates to Remember

Dec 25

**Offices Closed
Christmas Day**

Jan 1

**Offices Closed
New Years Day**

Jan 15

**Offices Closed
Martin Luther King Birthday**

Feb 17

**Offices Closed
President's Day**

Ongoing

- ◆ **Update Farm Changes.**
- ◆ **Farm Facility Loans.**
- ◆ **Direct and Counter-Cyclical Signup.**
- ◆ **Wheat, Barley and Other Small Grain Crops Reporting.**



Farm Producers, Landowners

- ◆ Do you intend to clear timber areas to create or to expand existing crop areas?
- ◆ Are you converting a pasture field into a crop field?
- ◆ Are there any areas on your farm that you are considering cropping that have not been cropped in recent years?
- ◆ Is there a wet spot in a field that you want to drain to make cropping easier?
- ◆ Are you disturbing a wildlife habitat area of any type?
- ◆ Are you doing anything different on your farm this year?

These are highly erodible and wetlands provision questions that need to be answered this year by producers to assure that they remain eligible for USDA benefits. If you have any question or concern that something you plan to do on your farm could jeopardize your eligibility for benefits, please contact your Natural Resources Conservation Service office before you begin work.

FSA Farm Loans Available for Winter Storm Damage

Many area producers have suffered damage from the recent severe winter storm. In many cases insurance proceeds are insufficient to replace or repair storm damage and farm income has been reduced and/or delayed making recovery difficult.

FSA has several loan programs that can be used to repair or replace essential farm buildings and improvements, replace livestock and machinery lost or damaged, provide operating capital, or reorganize the existing farm and ranch finances. The current rates for these loans can be found on page 2. All FSA direct loans will require a referral from a commercial agricultural lender.

FSA also can guarantee commercial bank loans for these purposes. The FSA guarantee reduces the risk to a lender resulting in better terms for the customer. In some cases, the lender can offer long-term fixed rate financing by participating in the FSA guaranteed program. For additional information about FSA direct and guaranteed loan programs please contact your county FSA office or go to www.fsa.usda.gov.

