

Missouri District 5

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

United States
Department of
Agriculture

February 27, 2007

Farm Service Agency

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Crop Reports

County offices are taking crop reports on planted acres of wheat, barley, and oats. Producers may also report CRP and permanent pasture acres at this time.

*A complete acreage report on **all cropland** must be filed in order to receive program payments. The deadline for small grains is June 30, 2007. The final reporting date on all cropland is July 31, 2006.*

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2007 DCP Sign-Up

The annual sign-up for the Direct and Counter-Cyclical Program will continue through June 1, 2007. Advance payments of 22% are available. A \$100 late file fee will be charged for contracts not returned by the June 1 deadline.

The DCP 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 contract.

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 Sign-Up Now!

- The annual sign-up for the Direct and Counter-Cyclical Program continues 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.
- Please contact your county office to sign your 2007 contract.

Farmer's Choice of Administrative County

New program policy for 2007 gives producer a choice when selecting where they choose to conduct FSA business. Until recently, the county administrative office for program participants was typically the county office in which the principal farm operator resided. Now, a producer may choose an administrative county if it is significantly more convenient. The county must be adjoining or contiguous to where the farm is physically located. This is a one time selection process for the current operator of the farm, and may not be used to circumvent program provisions in any way.

If this is an option you would like to explore please contact your local county office. A farm transfer can be initiated by the farm owner or operator in either the transferring county or the receiving county. Please note that all parties involved will have to sign form FSA-179, *Transfer of Farm Records Between Counties*. Also, the farm transfer is contingent upon the approval of the County Committee.

No General CRP Signup

The Secretary of Agriculture has announced that there will be no general Conservation Reserve Program (CRP) signups in either 2007 or 2008.

2007 Commodity Loan Rates Announced

County loan rates for corn, grain sorghum and soybeans are also available on the Farm Service Agency Web site:

www.fsa.usda.gov

| 2007 Loan Rates for District 5 Counties | | | | |
|---|--------------|---------|--------------|----------|
| County | Wheat SRW/Bu | Corn/Bu | Gr. Sorg/Cwt | Beans/Bu |
| Boone | \$2.60 | \$2.01 | \$3.37 | \$5.08 |
| Callaway | \$2.61 | \$2.01 | \$3.35 | \$5.07 |
| Cole | \$2.61 | \$2.01 | \$3.38 | \$5.03 |
| Franklin | \$2.65 | \$2.06 | \$3.38 | \$5.11 |
| Gasconade | \$2.61 | \$2.06 | \$3.35 | \$5.11 |
| Maries | \$2.56 | \$2.06 | \$3.38 | \$5.03 |
| Miller | \$2.56 | \$2.00 | \$3.49 | \$4.95 |
| Moniteau | \$2.56 | \$1.95 | \$3.37 | \$5.03 |
| Montgomery | \$2.65 | \$2.01 | \$3.35 | \$5.10 |
| Morgan | \$2.53 | \$1.97 | \$3.44 | \$4.98 |
| Osage | \$2.61 | \$2.06 | \$3.35 | \$5.09 |
| St Charles | \$2.69 | \$2.05 | \$3.46 | \$5.22 |
| St Louis | \$2.74 | \$2.09 | \$3.62 | \$5.26 |
| Warren | \$2.65 | \$2.01 | \$3.38 | \$5.14 |

Measurement Service Rates

Rates for measurement services have increased in 2007. The initial charge is \$30, plus an hourly rate of \$16 for the first hour and \$8 for every 30 minutes after the first hour (minimum of 1 hour). This means every measurement service involving a farm visit will be a minimum of \$46 per visit.

If you have questions regarding a fee you have been charged keep in mind that the time needed to complete calculations and related paperwork is also included in the measurement service fee.

FSA and RMA

Working Together

FSA and RMA work together to prevent fraud, waste and abuse in the Federal Crop Insurance Program. FSA will assist RMA throughout the growing season. Producers may report suspected cases of fraud to their local FSA or RMA Office

February Select Interest Rates

- ◆ Farm Operating-Direct 5.0 %
- ◆ 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%

NAP Sales Closing Date

The Non-insurable Assistance Program (NAP) provides benefits to producers of commercial agriculture products for which multi-peril crop insurance coverage is not available. NAP is designed to reduce financial losses when natural disasters cause catastrophic reduction in production.

To purchase a NAP policy you must pay a fee of \$100 per crop per administrative county; or \$300 per producer per administrative county, but not to exceed a total of \$900 per producer. The fees must be paid by the applicable closing date for each crop. The coverage period begins 30 days after your application is filed and the administrative fees are paid. Please contact your local office if you are producing a non-insurable crop and wish to purchase coverage.

The following is a sample of some sales closing dates for commonly insured commodities. For a complete listing and further details please contact your local office.

| | | | |
|-----------------------|----------------|-------------|----------------|
| Double Crop Soybeans | March 15, 2007 | All Forages | March 15, 2007 |
| All Grasses | March 15, 2007 | Sweet Corn | March 15, 2007 |
| Most Other Vegetables | March 15, 2007 | Pumpkins | March 15, 2007 |



**Tax Note for 2007

Check the amounts shown on your CCC-1099-G with your records to see that the amounts are correct. Refunds and offsets are no longer reported on the 1099-G.

Policy Changes for Signature Authority

Due to recent audits and investigations by the Office of Inspector General, county offices are following some new policy changes regarding signature authority. Most producers are aware of the terms Power of Attorney, Signature Authority, or Representative Capacity. For FSA purposes, a producer or someone serving as representative for an entity (trust, corporation, LLC, etc.) can execute a Power of Attorney form (FSA-211) giving someone the authorization to sign FSA forms on their behalf. The FSA-211 can give authority for all current and future programs or can be more restrictive. This Power of Attorney is only good for the Farm Service Agency; it does not give a legal power of attorney for functions outside of FSA.

Many producers operate as an entity (trust, corporation, LLC, etc.) and will be required to submit documents to FSA confirming the legal formation of the entity, and who has the legal representative capacity to sign on behalf of the entity. In the case of a corporation, a meeting may be required with minutes documenting who the members have given signature authority to. Also the documents provided need to show if the person with representative capacity can re-delegate on a FSA-211 to another individual to sign. Husbands and wives automatically have authority to sign for each other unless written notice is given to FSA. ***In any case, regardless of what type of operation you have proper signature authority must be on file before you can sign up for any FSA program.***

Make FSA A Part of Your Estate Planning

Trusts have become popular in recent years. Many FSA farm programs have certain requirements specific to trusts. Most producers are under the impression that their trust does not go into effect until the time of their death, but in almost all cases the land has been deeded over to the trust. When FSA asks who owns the farm, the producer will in most cases reply that "they" do, but "they" do not, the trust does. Most people do not see the distinction because they operate the trust using their own Social Security number. However, to stay in compliance with FSA programs our records must be a "true reflection" of the farming operation including land ownership.

Rules Regarding Land Deeded to a Trust

For FSA payment limitation purposes, determinations are made based upon who owns the land and equipment and who provides the capital, labor or management. Some producers still wish to receive payments as an individual, even though the land has been deeded to the trust. In order to be paid as an individual, *that person* would have to be providing significant contributions, not the trust or another operator. If another operator provides the labor, equipment and capital while the trust owns the farm, all the individual would be contributing is possibly some management. This would not be enough to qualify for a payment. The trust itself is automatically approved under landowner provisions. Even though your lawyer or accountant may not make the distinction because the same Social Security number is used, for FSA purposes there is a difference between you as an individual and your trust. If you have questions be sure to contact your local FSA Office.

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
696-583-2303 FAX 636-583-3571
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
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Dates to Remember

March 15

Nap Application Closing Date for Double Crop Soybeans, Pumpkins, Sunflower and Other Forages and Grasses

March 15

Deadline for Prescribed Burning of Warm Season Grasses on CRP

March 15-April 30

Dates for Prescribed burning or Chemical Burn of Cool Season Grass on CRP

March 31

Final Date to Request Wheat, Oats, and Barley Loans or LDPs

June 1

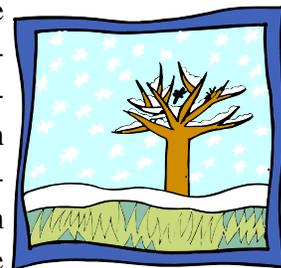
Final Date to Enroll in DCP Program

Ongoing

- ◆ **Reminder - Producers with a FSFL must purchase crop insurance.**
- ◆ **Update Farm Changes.**
- ◆ **Farm Facility Loans.**
- ◆ **Wheat, Barley and Other Small Grain**

Emergency Assistance Available for Winter Storms

Damage caused by the recent series of severe winter storms has resulted in multiple disaster declarations by the FSA. These declarations make area producers possibly eligible for the FSA emergency (EM) loan program. Producers in some counties may also be eligible for assistance through the Emergency Conservation Program (ECP). Due to the nature of winter storms, the method used to calculate loss is significantly different than production related disasters that occur during the growing season. Winter storms primarily damage property making them physical loss events. Physical losses are damage to livestock, machinery, buildings, fences, and other basic property items.



Producers experiencing physical losses including building collapse may be eligible for EM or other FSA loan assistance. These loans can be used to remove debris and to replace and repair damaged or destroyed property. Rates can be as low as 3.75% with terms up to 20 years. Producers must be unable to obtain credit from commercial sources to qualify for FSA direct loan programs.

Producers experiencing storm-related damage to fences may be eligible for direct payment assistance through the Emergency Conservation Program (ECP). ECP funds can be used to reimburse producers for debris removal and fence repairs. To be eligible for ECP assistance, the producer must operate in an ECP approved county and have sustained at least \$1000 in storm related fence damage or debris removal. ***Only Cole and Miller Counties qualify for ECP-Ice at this time. Final deadline for producers in Cole and Miller Counties to sign-up for ECP Ice is March 9, 2007.***

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.