



January 2007

CHELAN & DOUGLAS COUNTY FSA NEWS

Chelan County FSA

301 Yakima Street, Room 303
Wenatchee, WA 98801
Phone (509) 664-0283
Fax (509) 664-0289

Douglas County FSA

PO Box 489
Waterville, WA 98858-0489
(509) 745-8561
Fax (509) 745-8758

Office Hours

Monday – Friday
8:00 AM – 4:30 PM

Chelan County Committee

Phyllis Gleasman, Chair
Richard Smithson, V-Chair
Kelly Riedinger, Member

Douglas County Committee

Roger Wesselman, Chair
Rodney Peterson, V-Chair
Randy Mittelstaedt, Member

Office Staffs

Michel Ruud, CED
Mike Cada, FLM
Bill Henry
Anita Perez
Dawn Peaslee
Lori Tabler
Sherry Ramin
Janice Badten
Paul Daling
Diane DeFord

Next COC Meeting

Douglas County – February
13th at 9:00 a.m.

Chelan County – February
14th at 8:00 a.m.

FARM LOANS FOR MINORITY AND WOMEN PRODUCERS

The U.S. Department of Agriculture Farm Service Agency has a portion of its farm loan program funds specifically allocated for minority and women producers. FSA farm loans are available to all qualified applicants. By setting aside funds specifically for minorities and women, it ensures that they will receive a portion of available funds.

Loan funds can be used to purchase farms, livestock and equipment. They may also be used to operate the farm, build or repair farm service buildings, pay for soil and water conservation practices, and in some cases refinance debts. FSA offers both direct loans and also guarantees farm loans made by participating lenders.

For direct loans made by FSA to purchase a farm, the terms may extend to 40 years with a current interest rate of 5.25 %. In some cases, applicants may qualify for an interest rate as low as 5.00%. In addition, if an applicant is able to obtain financing from a private lender equivalent to 50 percent or more of the total funds needed to jointly finance the purchase of the farm, the interest rate on the FSA direct loan would be fixed at 5.00%. Interest rates are subject to change. Applicants for direct real estate loans need to be aware that funding for this program may be limited, making it necessary to wait for a period of time before funds are available.

Direct operating loans may be made for one to seven years with a current interest rate of 5.125%, which is subject to change. In some cases loans could be made at a rate as low as 5.00% depending on the farm operation's cash flow.

The FSA guaranteed loans are made by banks or other lenders for which FSA guarantees up to 90 percent of any loss. The guaranteed loan program includes both operating and real estate loan programs.

For additional information concerning these programs in Chelan and Douglas Counties please contact Mike Cada, Farm Loan Manager at (509) 664-0285.

THANK YOU TO DONALD JAGLA AND LEROY THOMSEN

Don Jagla has served on the Chelan County FSA Committee over the past nine years. Leroy Thomsen has served on the Douglas County FSA Committee (off and on) for 19 years. They both just recently completed the end of their third three-year term. We owe many thanks to Don and Leroy for serving the farmers and ranchers of these counties. They made many contributions to the agency, the only branch of government with grass-roots input. Their hard work and dedication was greatly appreciated!

COUNTY COMMITTEE ELECTIONS

The County Committee (COC) elections for the Southern region in Chelan County (Wenatchee area), and the Northwestern portion of Douglas County have been completed. **Kelly Riedinger** of Wenatchee and **Randy Mittelstaedt** of Waterville were each elected to represent their respective local administrative areas and counties. They assumed their committee duties on January 1, 2007. Both will serve a three-year term.

Mrs. Riedinger is newly elected to the Chelan COC. Her alternate will be Raul Sanchez. In Douglas County, Terri Brandt and Jesus Limon will serve as the alternates to Mr. Mittelstaedt. Alternates serve in the absence of the elected committee member. Thank you to all who took the time to vote! The COC is your voice in USDA programs.

CROP INSURANCE PROGRAM DEADLINE

Producers can purchase Adjusted Gross Revenue-Lite (AGR-Lite) which is available throughout the Pacific Northwest and covers most farm-raised crops, animals and animal products. AGR insures your whole-farm revenue against low returns due to unavoidable natural disasters and market fluctuations that affect income from commodities produced during the insurance year. AGR-Lite is based on a producer's five-year historical tax form information. The sales closing date is March 15th. Contact your crop insurance agent for more information.

DIRECT AND COUNTER-CYCLICAL PROGRAM (DCP)

Sign-up for the 2007 DCP is underway, and continues through June 1, 2007. When you sign the DCP contract you are agreeing to:

- ◆ comply with highly erodible land conservation and wetland conservation provisions on all your land,
- ◆ devote acreage equal to the contract acreage to an agricultural or conserving use,
- ◆ effectively control noxious weeds and otherwise maintain contract acres according to sound agricultural practices,
- ◆ not plant perennial fruits and vegetables or harvest them on contract acres,
- ◆ file acreage reports with respect to all cropland on the farm,
- ◆ notify this office when there is a transfer or change of interest on the farm.

This year, advance payments are 22% of the established payment rates, with the final payments made in October (the remaining 78%). Please contact this office for an appointment. We have been working on an internal review of last year's files, as a result of the "Improper Payment Information Act of 2002". Thank you for your patience as we have worked through this process. Please feel free to give us a call if you have any questions.

NEW STATE EXECUTIVE DIRECTOR APPOINTED

USDA recently announced the appointment of Jack Silzel as the State Executive Director for the Farm Service Agency in Washington State. Mr. Silzel replaces Jim Fitzgerald who left the agency for a new position in Washington D.C. with the Rural Development Agency. Mr. Silzel served more than 10-years in Washington D.C. as the Agriculture Policy Director for former Congressman George Nethercutt and Legislative Director for Congresswoman Cathy McMorris. Prior to his time in Washington D.C., Mr. Silzel was actively involved in his family's farm near Oaksdale, Washington. We look forward to working with him. Welcome!

HELP US WITH PROPER SIGNATURES

One of the items noted when reviewing prior year records was proper signatures. In the future when you sign FSA documents on behalf of an entity (Corporation, LLC, Trust, etc.) or joint operation, be sure to write the word "by" in front of your name along with your title. If you are signing for your spouse or using authority granted by a Power-of-Attorney, the word "by" is also necessary. While this may seem like a very insignificant requirement, documents not signed correctly will have to be returned. Help us keep the flow of paperwork running smoothly. Give us a call if you have any questions. Thank you in advance for your cooperation!

IRS REPORTING OF PAYMENTS

Producers who receive FSA payments will get a CCC-1099G (Report of Payments to IRS) and Farm Loan Program borrowers will be receiving Form-1098 (Mortgage Interest Statement) mailed from our Kansas City Office. Expect this near the end of January. The CCC-1099G indicates the total amount of payments made to you during 2006. Form 1098 indicates that amount of principal and interest paid to FSA during 2006. Please check the information.

REPORT YOUR DAMAGE

Please remember to contact FSA with any ag-related damage to your farm. This includes farm related buildings, fencing, trees as well as crop losses. Only a few producers contacted us regarding losses sustained during the January wind storms. We will continue to take information and hope to secure a disaster designation which could potentially provide programs to help you.

Se habla español en esta oficina de FSA. Si quiere informacion tocante a los programas de credito, conservacion y otros programas que se administran en esta oficina, por favor visite o llame la oficina de FSA. El número de teléfono es (509) 664-0283 en el condado de Chelan. La dirección se encuentra al frente.