



Gentry/Worth County
FSA NEWSLETTER
November 2006

**Gentry County
FSA Office**

512 E Hwy 136
Albany, MO 64402
660-726-5525
Office Hours:
7:00 a.m. – 4:30 p.m.

County Committee

Tom Magee
Mike Sager
Kenny Hensley

Office Staff

Mary Ann Gibson, PT
Kathy Ward, PT
Brenda Walker, PT
Barbara Ratliff, PT

**Worth County
FSA Office**

19 West 3rd
Grant City, MO 64456
660-564-3341
Office Hours:
7:15 a.m. – 4:45 p.m.

County Committee

Vern Mitchell
Mike Cook
Mary Ewing

Office Staff

Veronica Craven, PT
Ann Gilland, PT

**County Executive
Director**

Mark Cadle

**Farm Loan
Program Manager**

Charles Meissen

Fieldmen

Joe Washburn
Kris Lyle
Bill Grabb

Dear Worth and Gentry County Producers

I've always felt that during the fall, as winter approaches, we see more changes in the world around us than at any other time of the year. The color of trees and grass change, trees lose their leaves, and temperatures begin to fall. As agricultural producers we saw an unusual change this fall; the price of grain rose during harvest. For the most part that was a welcome, yet very unexpected change.

Another big change for FSA and you as producers has occurred this fall as well. The change is the way in which our offices go about processing payments. This is not a change in the amount or way that the payment reaches you but a change in what is required in our offices before your payments can be issued.

What does this change mean to you, the producer? In short, it will mean more time and paperwork to complete. Our office will need to get new or updated information on **every** individual and entity we work with. It is now a requirement that FSA complete an extensive checklist for each and every payment we issue. A large part of this will be reviewing all the background information that makes each of you eligible for payment. Before we will be able to issue payments we will need to review and update all your eligibility records, which include "person" and "actively engaged" determinations, signature authority for all entities, powers of attorney, adjusted gross income and direct deposit forms. If we don't already have them, we will be asking for copies of the articles of incorporation, trust or partnership papers, etc. of every entity that does business with this office as well as eligibility information on every member of the entity. We may need copies of your real estate deeds to verify ownership of land.

This process will require additional paperwork to be completed on both your part and ours and consequently, more time will be necessary to complete all the forms and checklists before we can issue payments.

We want to make each of you aware of these changes now so that you can be prepared the next time you visit the office. We will do our best to get payments to you as quickly and accurately as possible, just as we always have, but we will need your cooperation in completing forms and returning requested information to us promptly so that your payments won't be delayed.

Sincerely,
Mark Cadle, C.E.D.

Visit the FSA Website: www.fsa.usda.gov

2007 DCP Sign-up Continues

The 2007 Direct and Counter-cyclical Payment Program (DCP) began October 1, 2006, and continues until June 1, 2007. Following the June 1, 2007, deadline, USDA will accept late applications through Sept. 30, 2007, with a \$100 late fee. While DCP participants must sign DCP contracts annually, producers can choose not to participate in the program in any given year.

USDA computes DCP payments using base acres and payment yields established for each farm. Producers receive direct payments at rates established by statute regardless of market prices. For 2007, eligible producers may request to receive direct advance payments based on **22 percent** of the direct payment rate for each commodity associated with the farm. USDA will issue DCP advance direct payments beginning Dec. 1, 2006. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price (which takes into account the direct payment rate, market price and loan rate) for a commodity is below its target price.

New eligibility paperwork is required to be completed on ALL producers this year prior to payments being issued. Therefore, more time will need to be allowed for the signup and payment process. **If you want a December or January advance payment now is the time to start contacting the office to begin work to complete your contracts.**

Changing Financial Institutions

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. It has been determined that the chance of having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

County Committee Election

Just a reminder: You should have received your official county office committee election ballot. Ballots were mailed to all eligible voters on November 3, 2006. If, for some reason, you do not receive a ballot, feel free to notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business or postmarked by Dec 4, 2006.

This year in Worth County, Local Administrative Area (LAA) # 3 is up for election. It is comprised of Union and Greene townships and Vern Mitchell is the candidate appearing on the ballot. In Gentry County LAA 3 is also the area in which the election is occurring. The candidate on the ballot is David Waltemath. LAA #3 in Gentry County includes Jackson and Miller townships.

After receipt of the mail ballots, the Worth County Committee will meet on Thursday, December 7, 2006 at 9:00 a.m. to count the ballots. The ballots will be counted in Gentry County on Friday, December 8, 2006 at 9:00 a.m. The election is open to the public, and anyone can attend.

County committees are an essential part of Farm Service Agency. The committee makes policy decisions on program administration, acts on cases involving individual farmers, and reviews office operations to ensure that administrative funds are being used efficiently and as intended.

Selling Land

If you're planning to sell farmland, you should be aware of certain program provisions and how they could affect you. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date.

Reviewing program implications with your local Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

Farm Storage Facility Loans

Seven year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment or remodeling existing facilities.

All farm storage facility loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. For details, contact your local FSA Office.

FSA Farm Loans Available For Beginning Farmers or Rancher

Beginning farmers or ranchers can get a "regular" farm ownership loan by using funds set aside especially for them by the Farm Service Agency. These loans finance up to 100 percent of the land's purchase price (up to the \$200,000 loan limit), and the term of the loan can be up to 40 years.

The November interest rate is 5.5 percent, and, if eligible, the "limited resource" rate is 5.00 percent.

The regular farm ownership loan funds may also be used in joint financing where FSA lends up to 50 percent of the amount financed and another lender provides 50 percent or more. FSA may charge an interest rate of not less than 4 percent with terms up to 40 years. All FLP loans are approved subject to availability of funds.

To qualify beginning farmer applicants must have been farming for at least three years and not more than ten. Applicants cannot own real estate that exceeds 30 percent of the average farm size for the county.

2006 Corn, Sorghum, Soybean Rates

The 2006 county loan rates for corn, grain sorghum and soybeans are now available on the Farm Service Agency Web site. Go to:

<http://www.fsa.usda.gov/dafp/psd/LoanRate.htm>.

Following regulations of the 2002 Farm Bill, FSA is annually required to adjust the county loan rates to reflect market factors affecting each commodity crop. In Gentry County, the Marketing Assistance Loan rates for 2006 crops are: corn, \$1.87 and soybeans \$4.94. In Worth County the loan rates are: \$1.83 for corn and \$4.90 for soybeans.

Farm Reconstitutions

In program terminology, farms are *constituted* to group all tracts having the same owner and the same operator

under one farm serial number. When changes in ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-cyclical Program.

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Dates to Remember	
Nov. 23	Thanksgiving Day Holiday - closed.
Dec 4	Last day to return County Committee Election Ballots.
Dec 25	Christmas Day Holiday - closed
On Going	Continuous CRP.
On Going	Farm Storage Facility Loans
On Going	Sign Up for Direct and Counter Cyclical Program

**UNITED STATES DEPARTMENT OF
AGRICULTURE
FARM SERVICE AGENCY
GENTRY/WORTH FSA OFFICE**
512 East Hwy. 136
Albany, MO 64402

PRESORTED STANDARD
U.S. POSTAGE PAID
COLUMBIA, MO
PERMIT # 230

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- A married woman shall sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor's signature and one from an eligible parent **NOTE:** by signing the applicable document, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc.
- When signing on one's behalf the signature must agree with the name typed or printed on the form, or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc. **NOTE:** Some programs may require full legal name and signature.
- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities
- Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts shall consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity.

FSA offices will be monitoring the above as well as all other eligibility requirements very carefully for 2007.

Unauthorized Disposition of Grain Under Loan

If grain under loan has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producers name will be placed on a loan violation list for a two-year period. Always call the office before any loan grain is fed or sold.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotope, 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, Room 326 W, Whitten Building, 14th and Independence Avenue, SE, Washington, DC 20250-9410 or all (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.