



# FARM SERVICE FOCUS



Smith County FSA Office  
319 Roger Barta Way  
Smith Center, KS 66967

Cary J. Tucker  
County Executive Director

**COUNTY COMMITTEE:**

Mary Arment CHAIRPERSON  
Robert Koops, VICE-CHAIRPERSON  
Darin Hawkins, MEMBER

REGULAR MEETING DATE SECOND  
THURSDAY OF EACH MONTH, 8:00 A.M.

**FROM THE HEART OF THE USA**

OFFICE HOURS 8 a.m. – 4:30 p.m.  
TELE: 785-282-3832 FAX: 785-282-6830

**JULY 2009**

**AVERAGE CROP REVENUE ELECTION (ACRE) DEADLINE AUGUST 14**

Informational meetings will be held July 14 and July 15 at 7:30 PM in the basement of the Srader Center in Smith Center. The meetings will start at 7:30 PM. ACRE is a new revenue program that is not difficult to understand but does have lots of moving parts. The meetings will give you the base information and understanding to see if ACRE has the potential to work for your farm. Every farm is different so there is not a “yes” or “no” answer to ACRE participation. Participation in ACRE requires a 20 percent reduction in the farm’s direct payment and a 30 percent reduction in the loan rate. Once ACRE enrollment is complete then participation is irrevocable for the remainder of the farm bill. You may start your enrollment any year from 2009 through 2012 but the decision is irrevocable after the initial enrollment year through 2012. All signatories must agree to participate on any given farm. ACRE benefits are paid on the planted acreage of the crop not base acres. Close of business August 14 is the deadline to have all signatures returned to the FSA County Office to participate in the ACRE Program for crop year 2009. The ACRE enrollment designation will follow this farm number for the remainder of the farm bill.

<u>CROP</u>	<u>IRR BENCHMARK STATE YIELD</u>	<u>DRY BENCHMARK STATE YIELD</u>	<u>IRR/DRY BLENDED STATE YIELD</u>
CORN	188	96	
WHEAT			35.3
MILO			76.0
SOYBEANS			35.0
SUNFLOWER	1714	1067	

ACRE is a revenue program that pays producers when two triggers are met. The first trigger called the **State Trigger**. The **State Trigger** is met when the “**State ACRE Guarantee**” exceeds the “**Actual State Revenue**”. The second trigger is called the **Farm Trigger**. The **Farm Trigger** is met when the “**Farm ACRE Benchmark Revenue**” exceeds the “**Actual Farm Revenue**”. Following are explanations of the prices and yields that make up the parts of the **State Trigger** calculations: The “**Benchmark State Yield**” for each crop is listed in the table to the left. This is the Kansas “Olympic Yield”, which is the 2004-2008 Kansas Agriculture Statistics Service yield, dropping the high and low yield years and averaging the remaining three years.

**PRELIMINARY ACRE GUARANTEE PRICES FOR 2009 AND 2009/2010 PRICE FORECASTS MAY 11, 2009 UPDATE**

<b>Commodity</b>	<b>Unit</b>	<b>2007/08</b>	<b>2008/09E</b>	<b>Preliminary ACRE 2009 Guarantee Price</b>	<b>2009/10F</b>
All Wheat	Bushel	\$6.48	\$6.85	\$6.67	\$5.20
Corn	Bushel	\$4.20	\$4.20	\$4.20	\$4.10
Grain Sorghum	Bushel	\$4.08	\$3.30	\$3.69	\$3.50
Soybeans	Bushel	\$10.10	\$9.85	\$9.98	\$9.45
Sunflower Seed	Pound	\$0.2170	\$0.2265	\$0.2218	\$0.1760

The “**ACRE Program Guarantee Price**” is the simple average of the 2007-2008 cash price for the marketing year for the crop. The marketing year ends May 31 for wheat and August 31 for all other crops. The final “**ACRE Program Guarantee Price**” for wheat will be announced July 1. All other crop’s final “**ACRE Program Guarantee Price**” will be announced October 1. The chart to the left gives the “**ACRE Program Guarantee Price**” through May 11, 2009. The far right column of the table gives the actual weighted “**National Average Market Price**” through May 11 for each crop. You

will know the final “**ACRE Program Guarantee Price**” for wheat but not the other crops at the time of enrollment. The “**ACRE Program Guarantee Price**” can not change more than 10 percent of the previous year’s guarantee. The “**Actual State Planted Yield**” is the Kansas yield for the crop for the 2009 crop year. You will not know the final “**Actual State Final Yield**” when enrolling. All of the above bolded and underlined definitions explain the prices and yields that determine the **State Trigger**. Following is the explanation of the prices and yields that make up the **Farm Trigger**.

**FINAL ACRE SMITH COUNTY YIELD PLUGS**

<b>Crop</b>	<b>Unit</b>	<b>Yield Type</b>	<b>Plug 2004</b>	<b>Plug 2005</b>	<b>Plug 2006</b>	<b>Plug 2007</b>	<b>Plug 2008</b>
<b>Corn</b>	<b>Bu</b>	<b>Irr</b>	<b>172.6</b>	<b>145.2</b>	<b>134.2</b>	<b>161.0</b>	<b>173.7</b>
<b>Corn</b>	<b>Bu</b>	<b>Dry</b>	<b>81.0</b>	<b>93.1</b>	<b>62.1</b>	<b>91.6</b>	<b>109.3</b>
<b>Milo</b>	<b>Bu</b>	<b>All Yield</b>	<b>74.0</b>	<b>99.6</b>	<b>90.1</b>	<b>99.1</b>	<b>112.7</b>
<b>Soybeans</b>	<b>Bu</b>	<b>All Yield</b>	<b>24.2</b>	<b>38.1</b>	<b>33.4</b>	<b>41.6</b>	<b>43.1</b>
<b>Sunflower</b>	<b>LBS</b>	<b>Dry</b>	<b>1,303</b>	<b>1,303</b>	<b>1,303</b>	<b>1,303</b>	<b>1,303</b>
<b>Wheat</b>	<b>Bu</b>	<b>All Yield</b>	<b>33.7</b>	<b>40.8</b>	<b>42.8</b>	<b>28.4</b>	<b>40.5</b>

The “**Farms Expected Yield**” is the farm’s “Olympic Yield” or the actual yields from 2004-2008, dropping the high and low year yields and averaging the remaining three year’s yields. You may certify your “**Farms Expected Yield**” but will be required to provide production evidence at some point during the ACRE program years. You may use Federal Crop Insurance yields but remember those yields are probably on a “Unit” basis. That means you

should not use the “Unit” yield but you can use the total acres and total bushels to derive the “**Farms Expected Yield**”. Your farm’s yields may only be used from the most recent break in continuity excluding zero planted acres years. This means that if you have, for example, production evidence for 2008 and 2007 and you planted the crop for 2006 but do not have acceptable production evidence you must use “Plug Yields” for 2006, 2005 and 2004. The table above has the “Plug Yields” for Smith County. Plug yields are used in years with zero planted acres, missing or incomplete production evidence years or the years prior to a break in continuity. You may also use the “Plug Yields” exclusively if your farm’s actual yield is less than the Olympic “Plug Yield” calculation.

### ACRE FARM TRIGGER (CONTINUED)

Producers who purchase Federal Crop Insurance receive a bonus and you must know the premium price per acre to complete your farms' ACRE calculations. Your "**Farms Actual Yield**" is the 2009 actual yield. You will not know the spring planted crop yields by the enrollment deadline. You must also know the DCP base acres for each crop. ACRE payments are based on the smaller of 83.3 percent of the planted acres or the total (all crops) of all base acres on the farm. Now utilize the following spreadsheet at [http://www.fsa.usda.gov/Internet/FSA\\_File/acre\\_calculator\\_v1\\_2.xls](http://www.fsa.usda.gov/Internet/FSA_File/acre_calculator_v1_2.xls) with the above explained prices and yields to explore your farm's potential ACRE benefit. A simpler spreadsheet is available from the county office by e-mail and will be used at the informational meeting. Production evidence for every year the farm is enrolled in ACRE must be provided to the county office. A manual calculation copy of the spreadsheet can also be provided by the county office if you do not have computer access or have problems managing the spreadsheet. This is probably an informational meeting you do not want to miss. The Payment Limitation for the ACRE program is the amount of the 20 percent reduction plus \$65,000. ACRE participation reduces the Direct and Counter Cyclical Program (DCP) Payment Limitation to \$40,000 minus the 20 percent DCP payment reduction.

### County Committee Election Outreach Informational Meeting

A County Office Committee (COC) outreach informational meeting will be held July 9 at 10:00 at the USDA Service Center building at 319 Roger Barta Way in Smith Center.

The election of responsible agricultural producers to FSA County Committees is important to all farmers and ranchers. It is crucial that every producer take part in this election because county committees are a direct link between the farm community and the U.S Department of Agriculture. The 2009 election for Smith County Committee will be in Local Administrative Area (LAA) 1 (One), the eastern portion of the county. This includes the Townships of German, Swan, Pleasant, Cedar, Valley, Harvey, Dor and Houston. The 2009 election process includes the following dates:

June 15, 2009      Nomination period begins  
August 3, 2009      Final day to file nomination at FSA  
November 6, 2009      Ballots mailed to eligible voters  
December 7, 2009      Final day to return ballots to FSA  
January 1, 2010.      Elected members and alternates take office

### DCP AND ACREAGE REPORTING DEADLINES

August 14 is the deadline to have all DCP contracts signed and returned to the county office. There are no late filed DCP contract submission provisions. Failure to return completely signed DCP contracts by close of business August 14 will result in the farm not receiving any DCP payments. August 1 is the deadline to report all spring planted crops.

### Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing agricultural projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000. For detail information loan eligibility or the different available loan programs, just contact the county office staff for an appointment with a farm loan officer.

**Have a Safe  
Independence Day!**



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