

Regular Minutes of the State Committee (STC) meeting held on July 12, 2011, in the STO, Raleigh, NC. The meeting was called to order at 8:00 am.

STATE COMMITTEE: T. Pender Sharp III, Chairman, Thomas O. Gilmore, Sr. and John E. Ashe, Jr,

STAFF: Aaron A. Martin, State Executive Director, Cindy Kernodle, Mike Eaves, Kathy Barker, Mike Huskey, Eddie Woodhouse, Alicia Bridges, Mac McCullough, Marsha Bissette, Rita Zeigler and Susan Woodall

Approval of Minutes

The STC reviewed and approved the Regular Session minutes for June 14, 2011.

Review FSA-958's, Work Schedule Log and WebTA Employee Summary

The STC Chairperson reviewed and approved FSA-958's, Work Schedule Log for PP 14 for the STC.

The SED reviewed and approved FSA-958, Work Schedule Log for PP 14 for the STC Chairperson.

Review Travel Vouchers

The STC Chairperson reviewed and approved Travel Vouchers for the STC Members for July 11th and 12th.

The SED reviewed and approved the Travel Voucher for the STC Chairperson for July 11th and 12th.

General Updates on Farm Loan Issues

General update on FLP issues as follows:

Funding:

<u>Direct</u>	<u>As of 07/11/11</u>	<u>As of 06/13/11</u>
OL	312 loans \$24,224,805	304 loans \$24,071,805
FO	15 loans \$ 2,464,300	13 loans 2,264,900
EM	26 loans \$ 1,679,630	26 loans 1,679,630
CL	4 loans \$ 160,890	4 loans 160,890
TOTALS	357 loans \$28,529,625	312 loans \$28,177,225

<u>Guaranteed</u>		
OL	116 loans \$20,438,551	111 loans \$19,685,215
FO	111 loans \$58,224,311	104 loans \$56,066,731
TOTALS	191 loans \$67,492,878	215 loans \$75,751,946

Current backlog:

<u>Type</u>	<u># of Loans</u>	<u>Total \$</u>
Farm Ownership	10	\$2,195,000
Operating Loans	11	\$ 728,000

Funding is available for Guaranteed OL, Guaranteed OL with Interest Assist, & Guaranteed FO – all categories, Direct OL & Direct FO - SDA (NBF & BF), & Direct EM. Funding is depleted in all categories of Direct & Guaranteed CL, Direct OL – non SDA(NBF& BF), & Direct FO – non SDA(NBF & BF).

Lawsuits – Provided update of the following cases.

1. Keepseagle – nothing new
2. Love – settlement announced
3. Garcia – settlement announced
4. Wise – See Executive Session Minutes dated July 12, 2011

<u>FLP Goals:</u>	<u>2011 Goal</u>	<u>As of 6/30/11</u>
First Year Delinquency	10.0%	10.0%
Avg. Processing Time(Direct)	35.1 days	27.8 days
Avg. Processing Time(Guaranteed)	14.3 days	10.1 days
Increase Lending to Minorities	44.7%	52.4%
*Direct Delinquency Rate	11.5%	11.4%
Direct Loss Rate	3.5%	2.3%
Guaranteed Delinquency Rate	2.25%	2.19%
Guaranteed Loss Rate	1.5%	.574%

*4.8% of the Direct Delinquency Rate is from Judgment & CNC accounts. Actual delinquency rate for “active” accounts based on dollars delinquent is 11.41%!!!

Public Affairs and Outreach

Public Affairs and Outreach Director Eddie Woodhouse told the State Committee:

- 1) CEDs are pressed to provide COC election information to media members. 700 activity efforts listed in OTIS (Outreach Tracking System)
- 2) Eddie arranged interview of Malachi McCullough (Compliance) and Southern Farm Radio Network concerning SURE Program deadlines.
- 3) SED Martin and Public Affairs/ Outreach Woodhouse attending NC Farm Bureau Policy Review Day Thursday, August 04.
- 4) North Carolina FSA has generated positive articles in local newspapers. STC Members proved article copies.
- 5) In keeping with The First Lady and FSA Secretary Vilsack’s announcement, the North Carolina STO Food Drive Committee is conducting meetings to facilitate and organize FSA statewide food collection efforts. Eddie challenged the STC to participate by bringing donations – financial or product – to the August meeting. Grocery sack and list provided.
- 6) STC heard SED Martin’s Southern Farm Radio Network interview.

Review Yields/Rates for 2011 NAP

NAP – Additional Crop Data for 2011 NCT

The STC reviewed and approved the following 2009 crop data to be used in computing 2011 yields/rates. Most of the prices had been previously approved as 2009 NAMP for SURE.

Crop	Irrigated	NonIrrigated	\$	Remarks
Beans	*all types were approved based on cwt. Required to convert to cartons (30 lbs) to mirror RMA			
<i>Baby Lima</i>	28.65 cwt	21.88 cwt	\$61.80	Ylds sim areas
<i>Butter</i>	34.98 cwt	22.15 cwt	\$61.80	Ylds sim areas
<i>Cranberry</i>	35 cwt	17.5 cwt	\$38.00	Ylds sim areas
<i>Green</i> FH PR	39 cwt 4.09 ton	17.75 cwt	\$31.00 \$244	NASS
<i>Large Lima</i>	31.3 cwt	20.85 cwt	\$61.80	Ylds sim areas
<i>Pole</i>	38 cwt	21 cwt	\$58.91	Ylds sim areas

<i>White Runner</i>	46 cwt	33 cwt	\$52.20	Ylds sim areas
<i>Wax</i>	36.09 cwt	27.07 cwt	\$52.00	Ylds sim areas
Caneberries	*		\$208	Sunnyridge – local market
Cantaloupe	150 cwt	100 cwt	\$20.00	Yld/Sim Area \$ SC-NASS
Eggplants				
<i>Cherry</i>	140 cwt	89 cwt		Similar area
<i>European</i>	143.78 cwt	90.35 cwt		Similar area
<i>Oriental</i>	150 cwt	91.7 cwt		Similar area
Greens				
<i>Collard</i>	138.55 cwt	71 cwt		Similar areas
<i>Cressie</i>	32.2 cwt	20.0 cwt		Similar areas
<i>Turnip</i>	120 cwt	94.5 cwt		Similar areas
<i>Shanghi bok choy</i>	80 cwt	69.6 cwt		Similar Area
<i>Chinese Mustard</i>	88 cwt	75 cwt		Similar areas
<i>Common kale</i>	115 cwt	100 cwt		Similar areas
<i>Hybrid Mustard</i>	146 cwt	88.75 cwt		Similar areas
<i>Leaf spinach</i>	70.56 cwt	49 cwt		Similar areas
<i>Open pollinated Mustard</i>	86 cwt	86 cwt		Similar areas
<i>Rape</i>	96 cwt	82.5 cwt		Similar areas
<i>Vine spinach</i>	56.79 cwt	28.06 cwt		Similar areas
Grapes		2.67 NASS all grapes	\$2730 (FH) \$1100 (PR)	NASS
<i>BarberasBAR (pr)</i>		2.67 ton	\$1100	NASS
<i>Cabernet CAB (pr)</i>		2.67 ton	\$1100	NASS
<i>Cabernet FrancCBF(pr)</i>		2.67 ton	\$1100	NASS
<i>Cabernet Sauvignon CBS (pr)</i>		2.67 ton	\$1100	NASS
<i>CarignaneCAR (pr)</i>		2.67 ton	\$1100	NASS
<i>Catawba CAT (pr)</i>		2.67 ton	\$1100	NASS
<i>Chambourcin CMB(pr)</i>		2.67 ton	\$1100	NASS
<i>Chancellor CHN (pr)</i>		2.67 ton	\$1100	NASS
<i>Chardonnay CHA (pr)</i>		2.67 ton	\$1100	NASS
<i>Concord CON(fh) (pr)</i>		2.67 ton 2.67 ton	\$11000.00 \$545.00	NASS NASS/NCSU Exten
<i>Cynthiana CYT (pr)</i>		2.67 ton	\$1250.00	NASS
<i>Einsett EIN (pr)</i>		2.67 ton	\$1250.00	NASS
<i>Grenache GRE (pr)</i>		2.67 ton	\$1250.00	NASS
<i>Himrod (fh)</i>		2.67 ton	\$1250.00	NASS

<i>(pr)</i>		2.67 ton	\$1250	
<i>Malbec MAL (pr)</i>		2.67 ton		NASS/Local Market
<i>Marsanne MRS (pr)</i>		2.67 ton	\$1250.00	NASS
<i>Mataro/Mouvedre MAT (pr)</i>		2.67 ton	\$1250.00	NASS
<i>Meriot MRT (pr)</i>		2.67 ton	\$1250.00	NASS
<i>Merlot MER (pr)</i>				Similar Area
<i>Muscadine MUS (fh) (pr)</i>	3.20 ton	2.67 ton 2.90 ton	\$1250 \$535	NASS RMA
<i>Niagara NIA (pr)</i>		7.00 ton	\$1250	NCSU/NASS\$
<i>Norton NOR (pr)</i>		2.67 ton	\$1100	NASS
<i>Petita Vardot PEV (pr)</i>		2.67 ton	\$1100	NASS
<i>Pinot Gris PGR (pr)</i>		2.67 ton	\$1100	NASS
<i>Pinot Noir PNO (pr)</i>		2.67 ton	\$1100	NASS
<i>Reliance REL (fh) (pr)</i>		2.67 ton 2.67 ton	\$2730 \$1100	NASS NASS
<i>Riesling RIE (pr)</i>		2.67 ton	\$1100	NASS
<i>Sauvignon Blanc/ Fume Blanc SAB (pr)</i>		2.67 ton	\$1100	NASS
<i>Semillon SEM (pr)</i>		2.67 ton	\$1100	NASS
<i>Seyval SEY (pr)</i>		2.67 ton	\$1100	NASS
<i>Syrah SYR (pr)</i>		2.67 ton	\$1100	NASS
<i>Tannant TAN (pr)</i>		2.67 ton	\$1100	NASS
<i>Traminette TRA (pr)</i>		2.67 ton	\$1100	NASS
<i>Vidal Blanc VDB (pr)</i>		2.67 ton	\$1100	NASS
<i>Vignoles VIG (pr)</i>		2.67 ton	\$1100	NASS
<i>Voignier VOI (pr)</i>		2.67 ton	\$1100	NASS
<i>White Riesling WHR(pr)</i>		2.67 ton	\$1100	NASS
<i>Zinfandel ZIN (pr)</i>		2.67 ton	\$1100	NASS
Leeks fh	173.68 cwt	151.00 cwt	\$39.84	Similar areas
Lespedeza SD		300 lbs	\$1.76	Similar areas
Okra	65 cwt	42 cwt	\$84	Similar areas
Onions				
<i>Green</i>	146.63 cwt	127.5 cwt	\$32.90	Sim areas/\$NASS
<i>Red</i>	232.87 cwt	202.5 cwt	\$12.20	Sim areas/\$NASS
<i>Sweet</i>	212.40 cwt	168.23 cwt	\$18.90	Sim areas/\$NASS
<i>Yellow</i>	226.50 cwt	178.44 cwt	\$12.20	Sim areas/\$NASS
Pears Asian FH	4.80 ton	3.80 tons	\$711	RMA (PA)

Peas				
<i>English – FH</i>	31 cwt	20 cwt	\$66	Similar Area-AMS
<i>-PR</i>	31 cwt	20 cwt	\$14	Similar Areas
<i>Blackeye</i>	26 cwt	22.7 cwt	\$56	Similar Area-AMS
<i>Cow</i>	18 cwt	10.5 cwt	\$49.59	Similar Area-AMS
<i>Crowder</i>	20 cwt	14.5 cwt	\$49.50	Similar Area-AMS
<i>Purple Hull</i>	19.75 cwt	14.42 cwt	\$52.00	Similar Area-AMS
<i>Snap</i>	40 cwt	31 cwt	\$17	Similar Area-AMS
<i>Snow</i>	25.3 cwt	22.0 cwt	\$100	Similar Area-AMS
<i>Sugar</i>	30 cwt	24 cwt	\$77.50	Similar Area-AMS
Pecans				
<i>Imp</i>	576 cwt	576 cwt	\$130	ORS/NASS
<i>Nat</i>	576 cwt	576 cwt	\$88	ORS/NASS
Radish				
<i>Chinese</i>	81.90 cwt	69.50 cwt	\$18	Similar Areas
<i>Daikon</i>	81.90 cwt	69.50 cwt	\$18	Similar Areas
<i>Hybrid</i>	81.90 cwt	69.50 cwt	\$18	Similar Areas
<i>Korean</i>	81.90 cwt	69.50 cwt	\$10	Similar Areas
Rutabaga		245 cwt	\$32.00	AMS
Rye gr/sd		31.6 bu	\$4.93	NASS
Sorghum, Dual 0052 sg		13.2 tons	\$26.40	NASS/Yld for SG. Dr. Whitlow, NCSU 88% value of corn silage.
Sorghum Forage 0050 ML		100 gallons	\$32	COC/Local Market
Sunflowers				
<i>Non</i>		1506 lbs	\$0.2210	NASS
<i>Oil</i>		1563 lbs	\$0.1380	NASS
Tomatillos	119.6 cwt	104 cwt	\$32.15	Sim areas/AMS
Tomatoes				
<i>Cherry</i>	163 cwt	71.31 cwt	\$66.52	ORS/SimArea/AMS
<i>Grape</i>	163 cwt	71.31 cwt	\$66.52	ORS/SimArea/AMS
Turnips	108.48 cwt	81.50 cwt	\$31.35	Similar Areas-AMS

*Irrigated Yields for Caneberries

The STC reviewed NASS data, yields used in NCT for neighboring states, field trial data, actual yields by year supplied by county offices, and information provided by Gina Fernandez, NCSU.

2009 ylds shown in the 2011 NCT - Georgia used 78.4 cwt, SC used 60 cwt, Tennessee used 78.4 cwt
US NASS data 72.8

Irrigated yields from across the state for the years available :

Chester type (trailing type)	Navaho type (Erect type)
111.51	129.39
184.41	108.65
115.75	519.12
87.97	790.82
51.92	Ylds of 519.12 and 790.82 far exceed any
72.31	production data found for NC
90.96	
80.15	
45.74	

The STC recognizes that the bramble industry has recently undergone a significant change and several factors have shifted production to the western NC. The STC recognizes caneberry producers have a great investment in starting this crop. These producers are using new type system and varieties that yields higher production. The STC also recognizes there are producers in the same areas and other parts of the state that producer caneberries without this type system. I had received information from Ms. Fernandez showing average yields of 12-15 lbs/plant for erect type and 20 lbs/plant for semi-erect/trailing. She stated to calculate yield on an acre basis, there are approximately 1090 plants per acre. The STC voted to use this data to establish irrigated yields for NC blackberries. We will use 13.5 lbs/plant (average of 12-15) in our calculation for the erect types. Producers who can achieve higher yields and certify production, will have APH calculated on that data and will result in a higher approved yield. The STC feels this is reliable information.

Blackberry Types in NC NCT -

Apache, Arapaho, Evergreen, Kiowa/Ouachita, Navaho (Erect types) will have an irrigated yield of 147.15 cwt

Chester, Kotata, Triple Crown (Semi-Erect/Trailing) will have an irrigated yield of 218.0 cwt.

Other types listed in 1-NAP exhibit 7.4.5 (2012 crop year) are eligible for NAP coverage if suitable to be grown in NC.

The average yield data used is based on newer hybrids and systems used to produce the crop. As stated earlier, not all irrigated blackberries are capable of producing this yield. Handbook 1-NAP paragraph 107 states yield shall be adjusted if cultural practices are different from those used to establish the yield. COC would need to document adjusted yields in COC minutes and the adjusted yield would be entered in the adjusted T-yld line on the CCC-452 for these producers.

Maximum Average Loss Level Request

The STC reviewed and approved maximum average loss levels for the following county:

Wilkes County -	Corn (Gr) Bu	59%
	Corn Ton	74%
	Wheat (Gr)	98%
	Peaches FH	50%
	Apples FH	94%
	FCTB	64%

Emergency Conservation Program (ECP)

An update was given on the subject program. As to date 21 counties have requested ECP in the amount of \$2,110,309 due to tornadoes and/or high winds, hail and flooding. Funding in the amount of \$1,702,502 has been received.

Emergency Forest Restoration Program (EFRP)

The following update was given on the subject program. Eight counties have requested EFRP in the amount of \$1,003,500 and seven have been approved for implementation. The letters of approval received indicated there is no funding available at this time.

CRP General Sign-Up 41

Notice CRP-693, Accepting and Rejecting Signup 41 Offers, was received June 14, 2011. North Carolina had an 88 percent acceptance rate. Fifty one counties in NC submitted 442 offers totaling 8,847.3 acres in General Sign-Up 41. Of these offers, 76% were expiring CRP. The weighted average rental rate offered was \$50.32. The following practices were offered: CP3, CP1, CP42, CP4D, CP3A and CP2.

NRCS is currently making site visits in preparation for writing conservation plans. Referrals will be made to NCDFR for tree planting plans. Conservation plans are to be completed by September 2, 2011. County offices must have contracts approved by September 16, 2011.

Biomass Crop Assistance Program (BCAP)

The following are still pending in CEPD:

- Requests for relief for CHST applications submitted March and April 2010,
- BCAP-1, Biomass Conversion Facility Overview, for Metrolina Greenhouses Inc., submitted May 20, 2011,
- Project proposal for Chemtex submitted June 8, 2011.

The meeting adjourned at 2:00 pm on July 12, 2011.

The next scheduled meeting of the FSA STC will be on August 9, 2011.

/s/ Aaron A. Martin

Approved:
Aaron A. Martin
Secretary

/s/ T. Pender Sharp, III

Approved:
T. Pender Sharp, III
Chairperson, FSA State Committee