

February 2014



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## St. Joseph/Kalamazoo County FSA Updates

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### St. Joseph/Kalamazoo County FSA Office

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**County Executive Director:**  
Sharon Hoch

**Farm Loan Manager:**  
Mack Francoeur Jr

**Program Technicians:**  
Grant Drallette  
Michelle Fambro  
Carol Fetterolf  
Dana Sherman

Next County Committee  
Meeting: January 22 at 8:30  
am

### PASSING OF LOIS BONDY

Lois Bondy, the former County Executive Director for the St Joseph and Monroe County FSA offices, passed away earlier this week.

Visitation will be on Monday, December 23rd from 3:00 – 8:00 p.m. at Rupp Funeral Home, 2345 S. Custer Road, Monroe, MI 48161.

Funeral services will be held on Tuesday, December 24th at St. Paul Lutheran Church, 7771 High Street, Maybee, Michigan at 11:00 a.m. with luncheon to follow.

Memorials in Lois' memory will be accepted at the Monroe Farm Service Agency Office, made out to "The Friends of the Maybee Library". The contact information for the Monroe FSA is as follows:

1137 S. Telegraph Road  
Monroe, Michigan 48161

Phone: 734-241-8540 x 2  
Fax: 855-622-9275

Lois will be greatly missed by all who knew her. Our thoughts and prayers go out to her family.

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## RURAL YOUTH LOANS

The Farm Service Agency makes loans to rural youths to establish and operate income-producing 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 \$5,000.

### Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

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## FSA ADVISES PRODUCERS TO ANTICIPATE PAYMENT REDUCTIONS DUE TO MANDATED SEQUESTER

USDA's Farm Service Agency (FSA) is reminding farmers and ranchers who participate in FSA programs to plan accordingly in FY2014 for automatic spending reductions known as sequestration. The Budget Control Act of 2011 (BCA) mandates that federal agencies implement automatic, annual reductions to discretionary and mandatory spending limits. For mandatory programs, the sequestration rate for FY2014 is 7.2%. Accordingly, FSA is implementing sequestration for the following programs:

- Dairy Indemnity Payment Program;
- Marketing Assistance Loans;
- Loan Deficiency Payments;
- Sugar Loans;
- Noninsured Crop Disaster Assistance Program;
- Tobacco Transition Payment Program;
- 2013 Direct and Counter-Cyclical Payments;
- 2013 Average Crop Revenue Election Program;
- 2011 and 2012 Supplemental Revenue Assistance Program;
- Storage, handling; and Economic Adjustment Assistance for upland cotton

Conservation Reserve Program payments are specifically exempt by statute from sequestration, thus these payments will not be reduced.

These sequester percentages reflect current law estimates; however with the continuing budget uncertainty, Congress still may adjust the exact percentage reduction. Today's announcement intends to help producers plan for the impact of sequestration cuts in FY2014.

At this time, FSA is required to implement the sequester reductions. Due to the expiration of the Farm Bill on September 30, FSA does not have the flexibility to cover these payment reductions in the same manner as in FY13. FSA will provide notification as early as practicable on the specific payment reductions.

For information about FSA programs, visit your county USDA Service Center or go to [www.fsa.usda.gov/](http://www.fsa.usda.gov/).

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## INCREASED GUARANTEED LOAN LIMIT

The Farm Service Agency maximum loan limit for the Guaranteed Loan Program has increased to \$1,355,000 effective Oct. 1, 2013. The limit is adjusted annually based on data compiled by the National Agricultural Statistics Service.

The lending limit is adjusted every year according to an inflation index. The maximum combined guaranteed and direct farm loan indebtedness will also increase to \$1,655,000.

As a reminder, the one-time loan origination fee charged on FSA guaranteed Farm Ownership and operating loans is 1.5 percent of the guaranteed portion of the loan.

Producers should contact their local FSA Office with questions about farm loans.

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## ACT NOW TO AVOID LATE FEES

Producers are required to certify 2014 crop wheat, rye, barley, speltz, forage and hayed or grazed pasture crops by **January 15, 2014**. **If you report these crops after January 15th, a late file fee of, at a minimum, \$46 PER FARM will be assessed.** All cropland must be reported, so even if you have a one acre field of hay or pasture, it must be certified to avoid a late fee.

We can no longer mail out postcards or newsletters, so if you know of someone who does not receive our electronic notifications, please mention this to them. We are trying to prevent anyone from paying the late file fees.

Please call our office for your appointment.

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## HAPPY HOLIDAYS

We want to wish you all a very Merry Christmas and happy holiday season. We look forward to seeing you in the coming year. It is our pleasure to serve the hard-working farmers of Kalamazoo, St. Joseph, and surrounding counties!

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