

## **2017 Zone B Recap**

On February 2<sup>nd</sup> through February 4, 2017 the NACS Zone B Meeting was held in Sioux Falls, South Dakota. We had a great turnout and had 4 attendees from Minnesota. LaDonna Hupp – South Dakota Farm Loan Chief, Jim Radintz – Deputy Administrator for Farm Loans and Chris Beyerhelm – FSA Acting Administrator were in attendance to speak to the group. We also had a video conference call with the Management Cost Accounting group and on Saturday received an update from McAllister & Quinn. The topics they discussed are as follows:

LaDonna Hupp stated some facts and figures on Zone B and stated that 40% of the case load for Farm Loans was administered in Zone B. She also stated at this point the current continuing resolution covers 58% of the fiscal year which will get us to April 28, 2017.

Jim Radintz spoke and stated that 2016 was the highest ever for Farm Ownership, Operating & Micro Loans and we had 6,700 micro loan applications. He stated that current demand is slightly down in 2017 around 3-4% but due to 2016 being the highest ever this is not a very significant difference. He stated that the highest obligation months for Farm Loans is February – April. He also discussed that farm loans outstanding has increased 40% since 2008 and we currently have 80,000 direct borrowers nationwide! Our case load is around 24 billion dollars with 10 billion in direct loans and 14 billion in guaranteed loans all serviced by 1,700 employees. Those are awesome stats!

Jim also spoke on the great success of the Micro Loan Program. He stated that from 2013 – 2015 89% of the funds for Micro Loans went to Beginning Farmers or Historically Underserved producers. 59% of the Micro Loans were also to new producers and the delinquency rate is 1% less than the delinquency rate for the regular loans. A report was completed by an outside party and can be searched for by typing in ERR #222 and Jim congratulated the staff for these great results!

He also gave an update on IT/Software Issues and said he is well aware of these issues and is working with the appropriate individuals to continue to improve this. He stated that the National Office Staff continues to also try and create relevant trainings for the field. The FLOT training, Farm Business Plan Training and new CFAT Training have been completed and they soon will have a PT Training Guide completed. Lastly, he discussed that there are current fellowship programs that will be available to work on a project in Washington DC and encouraged the field to look into this opportunity.

Chris Beyerhelm spoke on Friday afternoon and stated that not a lot is going on with the transition process right now. Chris has provided a few briefings to the transition team and expects the confirmations hearings to be held with Sonny Perdue the proposed Secretary of Agriculture to take

place in late February. Chris stated that FSA is a prime example of economic development. He stated that in 2016 the Farm Service Agency provided 20 million dollars in investments for Farm Loans and Farm Programs! This was mainly in investing in Rural America. He also said right now FSA is at 98.5% of its allowed ceiling limit and we have brought the hiring time frame from 95 days down to 60 days at this point. The national department is committed to continuing the National Leadership Training at this point. He also informed us that FSA has been rated the 54<sup>th</sup> best place to work in Federal Government an improvement from 174<sup>th</sup>. We are also 2<sup>nd</sup> best place to work based on the size of our agency only behind NASA! In addition, he encouraged us to fill out the Administrator Awards for deserving employees.

In regards to leasing he stated that right now 75% of the leases are administered by FSA and each RPLO oversees 95 – 100 leases. He stated that this should be closer to 50 and the leases will be moved to NRCS or RD until FSA is at about 45%. He also discussed the Management Print Services II (MPS2) that this will start in March/April time frame and will be contracted through XEROX. A XEROX official will come to the office and establish a plan for each office starting at 300 machines for the most need.

Also on Friday afternoon, we held a video conference call with Managerial Cost Accounting Group who is currently analyzing our WEBTA data and would like to eventually use that data to help determine the staffing models for each state. NACS does have a member providing input to the group to monitor if and how this will be implemented. It was highly encouraged that WEBTA be properly completed and stated that they see a lot of Common Programs completed and this should be split out to the areas that you are actually doing on a daily basis. The group still has a lot of questions to answer to move forward with implementation.

On Saturday morning, we held a video conference call with Andy Quinn from McCallister & Quinn and they are in charge of NACS representation in Washington DC. A few things they have helped with are they were able to persuade congress to give FSA all of its Farm Loan funds under the continuing resolution for 2017 based off of the 2016 funding limit. What this means is typically we would have just received 58% of our funds at this point and we actually have access to 100%. If we would have just had the 58% of the funds we likely would have already been awaiting additional funds but at this point we are still being able to provide funds through our busiest part of the year. This has never been allowed to FSA in the past! They also have provided NACS an opportunity to submit questions to Senators so they can ask those questions at the upcoming confirmation hearings for the proposed Secretary of Agriculture. Andy Quinn will also be lobbying to move the Farm Loan employees from non-essential employees to essential employees based on our value to rural America. This is still in the beginning phases. Your membership in NACS/MACS is going to great causes to help improve our ability to help producers throughout Minnesota and America!