Agricultural News

By: Warden Alexander, FSA Director

County Committee Monthly Meeting

The Rockcastle County Farm Service Committee (C) will hole its monthly meeting open to the public the first Thursday of each month beginning at 8 a.m. The meeting will be at the Rockcastle County FSA Office located in the USDA Service Center on Hwy. 150 in Mt. Vernon. The next meeting is scheduled for Thursday, August 1.

The COC members are vital to the day-to-day operations of FSA. The COC members help FSA as the local level by deciding the kind of programs their counties will have and how they will operate. FSA committee operate within official regulations designed to carry out Federal laws and applying their judgement and knowledge to make decisions.

Rural Development (Housing)

Rural Development (low income housing) is regularly scheduled to be in the Rockcastle County FSA Office on the second Tuesday of each month. The next day scheduld for RD is Tuesday, August 13th.

The main office is located in Richmond, at 2150 Lexington Road, Suite C and the phone number is 859-624-1980 ext. 4.

FY 2002 PFC Reminder

Producers with Production Flexibility contacts (PFCs) authorized under AMTA in the 1996 farm bill must continue to follow contract requirements for the 2002 payment.

Producers are encouraged not to request a payment for the farm if they are considering selling a portion of the entire farm as payment received must be refunded. Changes in your farming operation must be reported timely in order to reflect PFC payments to the current crop year producer.

All changes reflected on the CCC-478, Application for PFC Payment, must be signed by August 1st.

Disaster Leasing

Farmers who suffer a burley tobacco disaster loss must file a report with FSA prior to harvest to retain eligibility to lease quota away under the disaster lease provisions. The disaster lease provision was implemented to provided relief to produce that suffer a disaster loss and are unable to produce and market the farm's effective quota. To be eligible to disaster lease and transfer must: file a crop report with FSA, file the FSA 574, Disaster Credit Request, have planted sufficient acreage to produce the farm's effective quota, provide a measurement fee and meet all price support eligibility requirements. If determined eligible for disaster leasing the measurement fee will be refunded.

Remember: If you are a farmer whose tobacco is suffering from poor weather conditions, black shank, blue mold, root disease, etc. Come to the FSA office and file under the disaster provisions PRIOR TO HARVEST!

Warehouse Designation

As a condition of price support beginning with the 2001 crop year for tobacco; producers were required to inform FSA of the warehouse where they would market tobacco. This is acquired by completing the form FSA 808, Warehouse Designation, to indicate where the tobacco will be sold.

Initial designation will end August 1, 2002. Producers are encouraged to complete this form after all lease and transfers have been updated for cards to be effective the first date of marketing. After the initial designation period ends producers will be limited to designate for the farm to any one day during the following regular redesignation periods:

- September 30 - October 4, 2002 with card effective October 14, 2002.
- October 28 - November 1, 2002 with card effective November 11, 2002.
- December 2 - December 6, 2002 with card effective December 16, 2002.
- December 27 - January 3, 2003 with card effective January 13, 2003.

The warehouse number will be indicated on the marketing card. Therefore; if you decide to market at a warehouse other than the one specified on the card, you must return that card to the FSA office in specific time periods to request another marketing card that card to the FSA office in specific time periods to request another marketing card.

FSA has a listing for public notice of warehouses, receiving stations and dealers posted on the bulletin board in the county office available through March 31, 2003.

Warehouse Closing

Recent notification to county FSA offices reflect Madison Tobacco Warehouse of Richmond, will not be eligible for designation during the 2002-03 marketing year. Producers who have previously designated this warehouse need to contact the FSA office and change warehouses by August 1, 2002. Also producers with tobacco stored at this location will need to contact the warehouse for removal of the tobacco.

Producers who have missing tobacco which ware stored at Peoples Tobacco Warehouse in Danville, for the 2000 crop year need to contact the FSA office.

Phase II Payments

Beginning the week of August 5, applications will be mailed to tobacco farm operations and letters will be mailed to tobacco quota owners about the 2002 fund. These applications, which are exactly like last year's, must be completed and returned promptly postmarked no later than September 16, 2002.

To be considered complete, the application MUST BE SIGNED, by all parties involved with each farm. If the same person fits all the roles designated, that person must sign in all sections that pertain to him/her. If there is a significant line, it must be filled in. The application must be signed in ALL places indicated on the form. ANY APPLICATION THAT DOES NOT INCLUDE THE SIGNATURE AND SOCIAL SECURITY NUMBER OF THE ELIGIBLE PARTY WILL BE INCOMPLETE AND PAYMENTS WILL NOT BE MADE.

Step-by-step instruction are included with each application. Help is also available at the local FSA office, by contacting the toll-free help line at 1-877-549-2537 or on the web site at www.kyagpolicy.com

Funds are expected to be distributed by the national trustee by December 31, 2002.

Important Dates to Remember

August 1, 2002 - Deadline to sign Warehouse Designation.

August 1, 2002 - Deadline to sign or revise the 2002 PFC contracts.

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To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Bldg., 14th and Independence Ave. SW, Washington, DC 20250-9410 or call (202)720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

Should Your Buy Term Insurance and Invest the Difference?

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WEIGH YOUR OPTIONS

With the multitude of "financial experts" around these days, we are constantly bombarded with advice regarding life insurance. When it comes to buying the "best" life insurance, the experts usually break down into two camps: The people who believe that permanent life insurance such as whole life and universal life is the only way to go, and those who espouse the "buy term and invest the difference" philosophy. With newspaper columnists giving their view, magazine writers offering a different theory, life insurance professionals and financial consultants giving yet another recommendation, which one is best? The simple answer amid this confusion is - what's best is what is best for you.

EVALUATE THE TRUE COST

The chief reason people choose life insurance coverage is for protection - to provide financial security for dependents after the death of the insured. Both permanent (such as whole life) and term insurance can supply that safety net, but which one does it most efficiently? Term insurance is attractive because it has a lower premium, which often makes it the police of choice for younger people with limited means and few financial responsibilities. Term insurance offers a fixed death benefit for a specific period (one year, five years, etc.). At the end of that time, the coverage is usually renewable, at a higher premium.

On the other hand, whole life insurance offers a fixed premium for an entire lifetime, a potentially increasing death benefit, and coverage that will not terminate, provided premiums are paid when due. With term insurance's increase in premium at each renewal, over the course of several decades the cumulative cost of term coverage may well surpass that of a comparable whole life policy. In addition, some term policies may require evidence of continued good health with each renewal. If you become uninsurable in the future, you may not be able to renew the policy.

KNOW THE TRUE VALUE

The well-known analogy of a term policy as "renting" and a permanent policy as "owning" life insurance is a good way to illustrate their true values. Unlike term insurance; whole life insurance is a value builder. It accumulates cash value, that in the long term can be borrowed against to help fund children's education, supplement retirement income or provide for their needs. In addition, as an owner of permanent insurance, your policy is also eligible to earn dividends, if and when they are declared by the insurer.'

WHERE WILL YOU "INVEST THE DIFFERENCE?"

If term insurance is chosen instead of a permanent policy, you'll have to decide where to invest the leftover money. The success of "buy term and invest the difference" depends largely on where the leftover funds are invested. Stocks? Bonds? Mutual funds? They offer the potential of a high return, but one thing is certain - uncertainty. With these investments, your return will vary based on market conditions; and when you sell your investment, you may receive more or less than you originally paid.

This potential volatility may not be suitable for some individuals, particularly risk averse people and mature individuals nearing retirement. In addition, capital gains, dividends, and most interest if any, are taxable when distributed. With permanent insurance, your policy accumulates guaranteed cash value on a tax-deferred basis.

GIVE IT SOME THOUGHT

When weighing your options, consider whether you will have the discipline and the means to invest regularly. Often people are so burdened with everyday expenses that they neglect to put something aside for the future. If this occurs within a "buy term and invest the difference" framework, the whole strategy collapses. Without the "invest" component you're left with a term policy with no accumulation of funds for the future.

DO YOUR HOMEWORK

Choosing the most effective way to secure your family's financial future is a major decision that requires a good deal of thought. For some "buy term and invest the difference" may be a legitimate option, while for others, permanent insurance is the way to go. Before jumping into the unknown, discuss your options with an insurance professional from a respected company. Study policy illustrations and ask questions when necessary. If you're uncomfortable with a scenario presented to you, get a second opinion. There's no cost or obligation. When you have all the facts, then you can make an intelligent decision on what's best for you and your family's financial future. For further information on insurance and other financial products, please write care of:

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