

8:30 am: Invocation- led by Jerry Hurrle, FLM Stearns County FSA

Pledge of Allegiance

Welcome & Announcements- Paula Lund, MACS President

8:45 am: Guest Speaker, Linda Hennen, SED

Budget:

VERA (early retirement) - Nationally 286 FSA employees took VERA, 182 CO & 104 GS employees. Minnesota had 11 employees take VERA, 9 CO and 2 GS. All employees who took VERA will be retired by August 31, 2011. VERA positions can only be filled within the state.

VSIP (buyouts) - Linda wasn't sure if the request had been sent to OMB. Initially the employees would be off the rolls by 10/3, now 10/31.

There has been a 9% cut in staffing. MN will reach the 9% cut by using VERA & VSIP.

Committee meetings: No COC meeting through FY 2011. Hope to pick up operating money in FY 2012 to normal levels.

Budget distribution: some districts feel more cuts than others; DD's will be meeting to create equality across district lines.

FY2012 will be cut 15% above FY2011.

Hispanic & Women's Claim Process (HWCP):

Secretary Vilsack's #1 priority, so Linda is also making it her #1 priority. This is not a class action law suit; therefore it is up to the Agency to get the word out. We don't want a Pigford #2.

MNASCOE:

Farm Programs is getting program goals similar to FLP goals. The goals will be divided up by program. This is a result of Civil Rights reviews.

MIDAS:

All farm program information for each producer in one place. Eventually FLP will be part of this.

Performance Reviews:

No new system for FY 2012, maybe in FY 2013. Linda (SED) will not review CO performance reviews, DD's will review.

CORA:

Findings so far are showing training is lacking, hence the KPT positions. The KPT are putting together a manual of basic PT duties, for new hires, should be out shortly.

There have been issues with bank deposits & payment processing across the country, hopefully CORA can resolve these issues.

9:10 am Glen Schafer, XO

Glen stated the claims process is a good outreach & educational opportunity for the agency.

CORA:

6 reviews completed across the state. CORA is intended to identify the risk in the office, also to see what training is needed. Also stated that the CORA is an outreach activity for the STO.

CORA reviews will utilize the Key PT positions to develop training programs. Eventually have 1 Key PT per district. The Key PT's are using the FLOT manual as a guideline for CO-PT training. The PT basic training manual should be out by September 1st.

MIDAS:

One platform for all Farm Program applications. Eventually FLP applications will be added. Will allow the PT to process all information for Farm Programs in one place.

Communications:

STO is putting together a communications team for FY 2012. The team would teach skills for SharePoint, letters, outlook, IT support.

Staffing:

9% cut nationwide= 38 people, or 6 County Offices in MN

As of 8-1-11 staffing levels: 371 CO & 135 GS

Where we need to be by the end of FY 2012: 356 CO & 122 GS

Glen discussed different agencies (RD & NRCS) approaches to staffing cuts.

The current farm bill does not allow CO closings unless:

The offices are less than 20 miles from one another, and no more than 2 FT employees.

Linda would consider reducing the number of days a week certain offices would be open, rather than closing offices.

FSA Suggestion Box:

Located on SharePoint. When submitting a problem or concern, also include a proposed solution.

Q&A with Linda & Glen

Direct Reassignments: Are a possibility if there is no voluntary reassignments. If there is direct reassignments relocation expenses would be paid.

FLP Restructure thoughts: Still a work in progress from what they hear it is a success, staffing is still an issue.

NRCS trucks in 2012: Linda hopes it will continue. With NRCS allowed to use FSA printer/copiers, Linda thinks FSA will come out ahead.

Report on CORA findings: Yes there will be a report on CORA findings; look for it in fall of 2012.

Morale: Linda & Glen said what they hear is, "Some say it's never been worse, and budget concerns seems to be bringing morale down."

Can Gov. Email be used for the association's communications? Still no, only official business with STO, otherwise use personal computers.

Could associations use communicator or live meeting after hours? Unknown, if the agency pays for time used for communicator, if not Linda is ok with it.

How are they going to fill the vacancies from VERA & VSIP? No plan yet, possible office closings, shifting staff, or voluntary or direct reassignments.

Does shared management work? National Office is looking more into this, with CED's taking the buyout and limited COT's.

How is the STO cutting costs? Same cuts as CO.

July 29, 2011 State MACS Meeting

Roll Call- Sign In: 13 members present

Welcome & Introduction of the Board- Paula Lund, MACS President

Appoint a Parliamentarian- Paula appointed Mark Drewitz

Appoint Audit Committee- Gretchen Smeby & Joe Serbus

Move to adopt the agenda: Jerry Hurrle moved to adopt the agenda, Tom Anderson 2nd the motion, motion passed.

Reading, correction, approval of minutes of last meeting- none current Secretary Leah Lindgren resigned.

Guest Speaker: Stuart Shelstad- FLP Chief, MN FSA

Portfolio Summary as of (7/1/11):

| | |
|---------------------------------|-------------------------------|
| D-B's 6/30/10- 2,973- \$370 M | D-B's 6/30/11- 2,957- \$395 M |
| G-B's 6/30/10- 1,862- \$585 M | G-B's 6/30/11- 1,912- \$639 M |
| Total B's 6/30/10- 4,835 | 6/30/11- 4,869 |
| Total \$ 6/30/10- \$955 M | 6/30/11- \$1.034 B |
| 8.3% increase in \$ outstanding | |
| I.A. Loans- 6/30/10- 267 B's | 6/30/11- 236 B's |

Loans are getting larger and more guaranteed loans. Increased regulator scrutiny, volatile markets, weary Ag sector.

Funding: Sufficient funding except NBF: D-FO for FY 2011.

Cultural Transformation: EEO & Civil Rights: We should be concerned and aware of these issues, they do affect us.

HWCP: Continue outreach efforts- we don't want a Pigford #2, due to a lack of outreach.

Pre-eligibility Counseling- using marketing efforts to reach out to people on how to become eligible.

Notice AO-1512 (Notice that gave suggestions of things we cannot do & maintain program integrity). Stuart mentioned putting lender file reviews on the shared drive, that way they don't have to be filed in STO. Please submit any suggestions you may have.

Subcommittee testimony on FSA credit programs 7/14/11, Linda sent out an email with the attachment. Stuart thought it was very complimentary of FSA.

Budget doom & gloom: We need to be careful to what message we are sending to newer employees, another state had two trainees leave in part to all the negative talk.

Guarantee Fee will increase for FY 2012 to 1.5%.

FBP & Running Records- Idea of FBP is to have everything in one place and for anyone to access it from anywhere. Provides better customer service and allows us to be more efficient and is a way to communicate with others. Only include what is needed in the Running Record.

Report of Officers

Treasurer- Ellen Dilly (Not Present)- Sheree Krogstad submitted report on Ellen's behalf. Kevin Kvistero moved to accept the report, Tom Anderson 2nd the motion, motion passed.

Secretary- Not Present

Vice President- Kevin Kvistero- no report

NASE State Contact- Sheree Krogstad- Stated MACS needs to encourage more PT's to become active members.

Past President- Jerry Hurrle- Stated we need to get new employees involved in MACS.

President- Paula Lund- Also stated we need to encourage new members to attend the meeting, and for new employees to join MACS. Also discussed the number of members not paying their dues.

Report of Committees/ Resolutions: No committee chairs were present, there were a lot of resolutions proposed, see attachment.

Old Business- Discussion of State Office Negotiation Session: National Office has procedure for States to issue a supplement for LAA changes, STO has no answer on this yet.

New Business

Proposal to amend the Bylaws: Sheree Krogstad motioned to change the due date for MACS dues, motion 2nd by Tom Anderson, motion passed. MACS calendar year is now July 1st through June 30th, dues will be due on June 30th.

National Convention Report- Paula Lund- Paula emailed her notes to members before the state meeting.

MACS dues review:

National dues for 1st time members are waived for the 1st year.

\$58- FLOT's (no voting rights)

\$156- FLM & FLO's

Kevin Kvistero motioned to increase state dues for PT's to \$36, Brianna 2nd, motion withdrawn; board of directors will make the decision.

Election of Officers:

President: Kevin Kvistero

Vice President: Amy Dykema

Secretary: Brianna Kaschmitter

Treasurer: Ellen Dilly

District Representatives & terms:

1- Gretchen Smeby- 2013

2- James Kruize- 2012

3- Open

4- Jen Robinson- 2012

5- Sarah Kern- 2012

6- Open

7- Open

8- Mike Sorg- 2013

Audit Committee Report: Found the totals to be correct, but the category totals did not match, because of the payroll deductions & cash payment of dues.

Mark Drewitz motioned to accept the report, Jerry Hurrle 2nd the motion, motion passed.

Installation of new officers and board members

Adjournment