

MACS NEWS

February 2010

Minnesota Association of Credit Specialists - FSA

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ZONE B Meeting

The 2010 Zone B Meeting was held last week in Fargo, ND. 12 MACS members attended. Notes from the NACS and NASE meetings are attached. Thank you to Sheree Krogstad for providing notes from the NASE session. If you did not attend, you missed a great opportunity to learn more about NACS and meet other colleagues from other states. The Zone meeting will be close by again next year in Des Moines, IA. Mark your calendars and plan to attend.

FLP OFFICE RESTRUCTURE

Nothing new to report. The snow storms in Washington D.C. closed the National Office so no decisions have been made yet.

ANNUAL MACS/MNASCOE CONSULTATIVE MEETING

The annual consultative meeting with the State Office staff will be held on Thursday, February 25th. Do you have any issues, concerns or problems that we need to address? Do you have any ideas or solutions for improvements or changes? Please contact me or any MACS officer to discuss your ideas. Please submit your comments by February 19th.

MACS Dues

If you have not paid your dues yet, please due so now. We will be updating the members reports and any unpaid members will be removed from the email list. Thank you.

2009-10 MACS Board

President – Jerry Hurre
Vice President - Paula Lund
Secretary – Leah Lindgren
Treasurer - Scott Nordby
NASE State Contact – Karen Welander
Past President – Lee Crawford

District 1 Representative – Gary Schommer
District 2 Representative - Justin Phillips
District 3 Representative - Ellen Dilly
District 4 Representative – Kevin Lehman
District 5 Representative - Jennifer Robinson
District 6 Representative - Kevin Hagan
District 7 Representative - Mark Baumann
District 8 & STO Representative - Kelly Klingsporn

2010 Zone B Meeting Highlights

The meeting was held in Fargo, ND on Feb. 4-6th. 12 MN MACS members attended which included 11 NACS members and 1 NASE member. With the meeting so close to home, it was a great opportunity to attend a Zone meeting and learn what NACS is all about. It was disappointing that we did not have more attendees. The Zone meeting will be in Des Moines, IA next year, so make plans to attend. If you have never attended a meeting, this will be an excellent time to try!

Due to the snow storm in Washington, D.C., the agenda which included several National Office speakers needed to be reorganized. Three of the four speakers could not attend. Chris Beyerhelm and Karis Gutter addressed the group by conference call.

Chris Beyerhelm - Deputy Admin FLP:

- FY 2009, we processed the most direct loans since 1985, \$4.5 Billion in loans
- Direct loans were also processed faster.
- As of Dec. 2009, loan volume is also 40% higher than last year.
- Marketing plans should focus on customer service and education about our programs.
- 2010 funding is similar to 2009.
- 2011 funding may be a little higher.

Sec of Agri. Initiatives:

- “Everyday and in Every Way” - customer service
- “Know your farmer, Know your food” - focus on selling locally, locally grown
- civil rights - quality customer service
 - Ok to say No, but make personal contact and explain the issues

NEW ideas and projects -

- Direct loan 5 year lines of credit
- Remove rural limitation on youth loans.
- Implement the remaining items from the '08 farm bill
- Review flexibility with loan servicing. Ex: Lien on all asset requirements or option of releasing some security if the loan is well secured.
- Utilize all FSA employees to help when short handed.

Karis Gutter - Deputy Admin Field Oper:

- Budget is extremely tight, try to hire some FLP temps and re-employ retired annuitants
- With less than 50 GS slots available, put priority on field office hiring.
- Utilize non ceiling FLOT positions.

Chris & Karis Q & A:

1. Can FSA lower the guarantee % w/o contacting the bank? **We should contact the bank to explain it (customer service) It should be appealable.**
2. Laptops are slow. Can they be replaced? **With tight budget, they will not be replaced as long as they work.**

3. The 14 day waiting period to validate accounts to deposit funds for loan closing is a problem. Can one general account for the office be established? **NO**
4. Will tele-work be available for County Offices? **Not at this time. We need to be available for our customers.**
5. When will Direct FO funds be available? **Targeted funds for downpayment loans will be available April 1st. Not sure about funding after that.**
6. With loan obligations 40% higher then last year, will we get more funds? **Funds will probably run out in July or August. Looking at supplemental funding.**
7. If a co-signor is required, should this be included as a condition on the FSA 2313? **Yes.**
8. When a borrower requests to refinance a first mortgage prior lien and are not changing the loan amount, why not allow this without an application? FSA is not adversely affected. - **Will review this idea further**
9. It was suggested that all denial letters be reviewed by a second party. Who should do this? **Will review further. The intent is to make sure the letters are accurate.**
10. Debt set-aside was proposed for economic reasons like low milk price. What is the status? **Approval process is slow due to the lengthy review and approval process and not a high priority.**
11. Can the subordination and release requirements for D-OL's be relaxed. Ex: borrower has always been current (3 years plus) and loan is well secured (200%). - **Will review this ideas further.**
12. Can DALR\$ access be given to all FSA employees for all counties so they can help out other offices? **They did not know this was an issue and will review it.**
13. Funding for temps? **This will be reviewed after the notice for re-employing retired annuitants is out.**

James Bolego - Farm Credit Applications, St. Louis

He reviewed the proposed DLS updates that will be issued.

Phase 1 - Dash board - will include all functions of MAC, 4A, 1M, etc.. approx March 1st

Phase 2 - ADPS, payoff screens, AI info, customer transactions - approx late June

Phase 3 - Special servicing, Ag Credit - approx late Sept.

Stimulus funded loans should be able to be serviced by the end of Feb.

New conservation loans are now funded. Ex - Loans funds are used to conserve energy like adding insulation. Extended loan term.

NRRS - 70% of capabilities of old scope system. If you have any questions regarding NRRS, email James.

They have determined that the slow computers is usually not the servers. Most of the time it is the poor lines or local issues. T1 lines may not be adequate.

The help desk is extremely back logged. Extra help for FLP that was suppose to be available is not.

NACS FSA Business Meeting:

Farm Program committee:

- Two resolutions about FSFL and Pymt limitation.
- In 5 states, FLP completes all of FSFL work.
- There is no discussion about shifting FSFL to FLP

IT committee:

- They did not have much response from IT this year.
- Many issues are related to SCIMS. This is a multi-agency issue, so not much can be done about it at this time.

FLP committee:

- They reviewed numerous resolutions that are posted to the NACS website

Mgmt Committee:

- Reviewed ARS system
- Discussed the issue of having an extra computer in the office. IT wants to take them away.
- SDA term will not be changed. This term is used nation-wide by many other agencies.
- They are trying to have personal info removed from Govtrip. It is not required.

Membership Committee:

- Goal is to add 100 new members.
- Reviewed new member power point and membership packets.
- Will try to extend the dues waiver for first year members.

Legislative Committee:

- Reviewed the relationship with McAllister & Quinn and support provided.
- The credit for sick leave issue.
- Funding for loans.

NACS President - Mark Drewitz:

- Reviewed NACS goals:
 1. Increase membership
 2. Improve communication to members - at least 4 newsletters and more updates
 3. Members need to make sure their email addresses and contact info is accurate. If you are not receiving info, we need to let them know.
 4. Reminder about 1st time member dues waiver and incentives to attend the National Convention.

Other issues:

1. 1165 - NACS has hired a contractor to review the 1165 issues and various components of the issue. A committee also has been established to help the contractor gather information. The National office also has established a task force that includes NACS to review the problem. It is recognized that this is a major issue affecting staffing.
2. 2010 National Convention - The convention will be in Portland, Maine on June 19th - 23rd. Assistance from NACS-FSA members is needed due to small number of FSA employees in that area. If you can and are willing to help, please contact Mark Drewitz.
3. There is discussion of a potential joint convention in 2013 with all associations again. MN hosted all the associations in 2002.
4. The role of retired NACS members needs to be reviewed. The NACS constitution has conflicting information regarding retired employees.
5. What are the NACS members roles:
 - Communicate the good things that NACS does
 - Be active in the associations
 - Recruit new members. Bring new members to the meetings.
6. NACS no longer is affiliated with FMA and now contracts with McAllister and Quinn - lobbyist group to assist with legislative activity. NACS needs to explain the benefits of this relationship.

NASE Business Meeting

There were 12 members in attendance (11 regular and 1 retired).

The minutes from the 2009 Zone Meeting were read, minor corrections made and approved. The State President/Contact reports were also read. One of the state reports prompted discussion about the NRRS process. Cindy Porter, Zone B Rep, had received several comments and questions regarding NRRS that were going to be presented to Mark McKinley, but due to the weather situation, he was unable to attend. She will forward these issues to him and will let the members know his response.

Prior to the committee reports, there was discussion about the resolution process. As the NASE Resolution Coordinator, I had contacted NACS-FSA and NASP prior to the meeting asking them if they vote on the resolutions as the zone meeting – which they do not. I was concerned with resolutions being defeated at zone, the committee agreeing that they should be defeated and then at convention, the resolution was approved and forwarded to the National Office. A motion was made and seconded that we would review the proposed resolutions presented at the zone meeting, but won't vote on them until convention.

There were 17 FLP resolutions, 4 FP resolutions and 10 IT resolutions reviewed. During this process, it was determined that a couple of these resolutions should not be submitted to the respective section (ie: marked FLP and IT, but strictly an FLP issue – or at least it needs approval from National Office before IT could make changes).

The members in attendance also showed an interest in having JM Marketing develop a package for NASE.

Other issues discussed were how to get members involved, location of Loan Analyst positions in the nation (Susan Long, NASE President, sent an e-mail to Chris Beyerhelm requesting which states these positions are located, but had not received a reply before our meeting adjourned), pros and cons of joining NACS and NASE (seemed to be more cons than pros) and proposed meeting date change for zone meetings after 2011 (moving to the end of March).

Sheree Krogstad