

Midwest Farmowner

News & Information from First Mid Ag Services

Fall 2019 – Vol. 27, No. 2

Enrollment Underway for Farm Bill Programs

As farmers look toward 2020, enrollment is underway for farm programs authorized under the 2018 Farm Bill. The current bill reauthorized programs from the 2014 Farm Bill with a few slight revisions and will be the farm program policy in place through the 2023 season.

Under the current legislation, producers may elect Agricultural Risk Coverage county level (ARC-CO), Agricultural Risk Coverage individual coverage (ARC-IC) or Price Loss Coverage (PLC). Each program has pros and cons and should be evaluated for each crop.

One of the most popular program election options, ARC-CO, provides revenue loss coverage at the county level. ARC-CO payments are issued when the actual county crop revenue of a covered commodity is less than the ARC-CO guarantee for that covered commodity. Meanwhile, PLC program payments are issued when the effective price of a covered commodity is less than the respective reference price for that commodity. The effective price equals the higher of the market year average price or national average loan rate for the covered commodity.

The 2014 farm bill set the reference price for corn at \$3.70 per bushel and soybeans at \$8.40. The 2018 Farm Bill added a reference price escalator provision, allowing the potential for these two reference prices to increase during the period. Additionally, the ARC-CO program now incorporates a trend yield adjustment for yields used in revenue guarantee calculations.

Producers may update PLC yields and elect program for 2019-2020. During the last enrollment for the 2014 Farm Bill, producers were allowed to update PLC yields using actual 2008-2012 yields. Producers now may update PLC yields using actual 2013-2017 yields. Yields were generally greater during 2013-2017 than 2008-2012 and would be advantageous to update. However, each producer should evaluate each farm to determine whether existing PLC yields or updating yields offer the greatest PLC yield possible. Updates must be done during the initial enrollment period and will not be allowed during 2021-2023 annual enrollments.



United Soybean Board

The 2020 planting season will be here before you know it. Landowners and farmers have until March 15, 2020, to sign up for farm program elections. Contact your First Mid Ag Services farm manager for their input.

Program elections for 2021-2023 will be done annually. While producers will elect ARC-CO, ARC-IC or PLC for the 2019-2020 crop years together, the decisions for crop years 2021-2023 will be done annually. The 2014 Farm Bill required single election for 2014-2018.

Deadline for signup is March 15, 2020. Producers can visit their county USDA Service Center to update PLC yields and elect their 2019-2020 crop year program. If an election is not made by March 15, 2020, the election defaults to the election made under the 2014 Farm Bill. However, no payments will be earned without signing a 2019-2020 election contract.

First Mid Ag Services farm managers are evaluating ARC/PLC enrollment decisions for each share crop landowner. If you have questions about enrollment, contact Craig Thompson at 309-665-0048, crthompson@firstmid.com, or any other First Mid farm manager. 

Inside: Review Related Farm Programs and Deadlines

First Mid Ag Services

Keep Track of Farm Program Paperwork and Deadlines

In addition to 2018 Farm Bill signup, First Mid Ag Services farm managers are working with clients to complete other farm payment paperwork, and have this advice:

Do not mistake farm bill signup for the Market Facilitation Program. Enrollment underway for the Market Facilitation Program (MFP) has a signup deadline of Dec. 6, 2019. This is different than enrollment for 2018 Farm Bill programs. MFP payments for 2019 are attributed to lost export markets due to ongoing trade negotiations with China. Announced payments were based upon 2019 planted acreage and USDA county payment rates. At the time of writing, 50

percent of the payment rate had been authorized and many producers had already been paid.

Remember to turn in Form CCC-941. USDA does not release any government payments earned until a CCC-941 Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information form is received. This form is filed annually with USDA and certifies whether a taxpayer had AGI less than or equal to \$900,000, thus qualifying for government payments. Producers and share crop landowners must file to receive payments.

Contact any First Mid farm manager with questions or for assistance. MF

Mattoon Office and Staff Extend Ag Services Reach

Long-time *Midwest Farmowner* recipients are familiar with Ag Services staff and offices in Bloomington, Decatur, Kankakee, Peoria and Springfield. We are introducing the Mattoon office, which represents Ag Services from the First Mid side of the merger.

First Mid professional farm management services first began in the 1960s, and the Mattoon office was an instrumental part of that service. In 2018, the Mattoon office experienced a considerable amount of growth with acquisition of Ron Pierce Farm Management, which was located in Charleston, Illinois. The addition increased acreage management to approximately 43,000 acres throughout Illinois with the majority of those acres in Coles, Douglas, Moultrie, Shelby, Cumberland and Clark counties. The office today consists of four farm managers: Eric Schumacher, Ron Pierce, Austin Hornstein and Cory Kauffman. Operations and administrative support are provided by Kelly Esker, Bonnie Heaton and Caroline Elam.

In addition to farm management, the farm managers in Mattoon are all Illinois licensed real estate brokers providing farmland sale and acquisition services. The group has the knowledge and experience to handle real estate transactions for a variety of markets, from farmland to recreational property and beyond. Expertise also extends to farmland appraisal services. Schumacher and Kauffman are associate appraiser trainees in Illinois and work with a local supervising



First Mid Ag Services Mattoon office staff include (left to right) Cory Kauffman, Bonnie Heaton, Austin Hornstein, Kelly Esker, Eric Schumacher, Caroline Elam and Ron Pierce.

appraiser in preparing reports for clients. The office also has licensed insurance agents providing federal and private crop insurance to landowners and tenant farmers.

To discuss any of these services, contact the Mattoon Office at 217-258-1561. MF

Tom Toohill Retires from First Mid's Springfield Office



Tom Toohill

Tom Toohill, farm manager based in Springfield, has announced his plans to retire after more than 35 years of service to First Mid Ag Services and its predecessors.

Toohill began his career at the former Commercial National Bank of Peoria in 1984. He managed farms out of the Peoria office until 1998, when he transferred to the Springfield office. During his career, he managed farms in 14 Illinois counties, plus a few in Iowa, Nebraska and Missouri. He earned the title of Accredited Farm Manager (AFM) in 1989 from the American Society of Farm Managers and Rural Appraisers and has a license to sell farmland in Illinois.

A 1983 graduate of Southern Illinois University, Toohill has a bachelor's degree in general agriculture, and a master's degree in agribusiness economics. He plans to spend more time with his family, and tend his farmstead near Mt. Pulaski, Illinois. MF

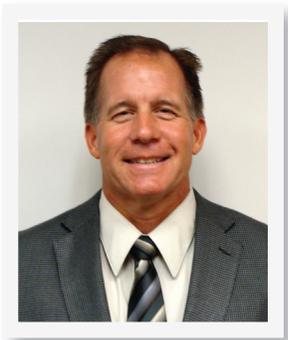
First Mid Ag Services

Chad Hoke Celebrates 30 Years of Service

First Mid was honored to celebrate Chad Hoke's 30th year of extraordinary service as a farm manager this summer. Hoke grew up near Clinton, Illinois, on his family's grain farm. He graduated from the University of Illinois with a degree in agricultural economics in 1987 and was hired in 1989. In the last three decades, he has become an Illinois Licensed Real Estate Broker, was awarded his Accredited Farm Manager designation, and was a member of the team named "National Farm Manager of the Year" in 2001.

"Chad's economic expertise has been invaluable as a member of the grain marketing committee with First Mid Ag Services. His attention to detail and personable nature have allowed him to walk many clients through complicated and unique land ownership situations," says Brian Thompson, president of First Mid Ag Services. "He has consistently worked to attain the goals of his clients as both farm manager and real estate broker. His efforts to work for their best interests have been recognized by quality relationships over his entire career."

During his tenure of managing and selling/buying farms in Central Illinois, Hoke has worked with a number of clients, several of which started 30 years ago and have spanned generations within a family. And while technology has advanced rapidly and each growing season has been drastically different, one thing has not changed. Hoke is dedicated to providing the best service and management to those who entrust farmland and assets to his care. MF



Chad Hoke

Tom Hill is New Farm Manager in Springfield Office



Tom Hill

First Mid Ag Services has added Tom Hill as a farm manager based in Springfield.

"I have spent my life in the agriculture community, and I am looking forward to working with farm owners in the Springfield and surrounding areas," says Hill. "I am also excited to be a part of the First Mid team and for this next chapter in my career."

Hill received his bachelor's degree from Southern Illinois University Carbondale in 2001 in agriculture business and economics. He has worked mostly in ag retail and in the seed industry since. His previous work experience and agronomic background are a good fit as he begins managing farms out of the Springfield office and working on his real estate brokerage license.

Hill lives in nearby Chatham with his wife and three children. His hobbies include running, traveling and family activities. Contact him at 217-319-8025 or thill@firstmid.com. MF

First Mid Client Finds Everything Under One Roof

Kevin Poppe says he was 100 percent satisfied with the assistance he received from First Mid Ag Services in selling two tracts of farmland near Lexington, Illinois. Poppe decided to list the property for sale last spring to satisfy some debt and closed on the sale in October.

"First Mid was first to come to mind. I was familiar with the good reputation of Soy Capital Ag Services. I also considered two other farm management companies, but First Mid offers everything under one roof, from knowing potential buyers, to marketing in the right places and offering or assisting with finding financing for buyers," says Poppe.

Kevin Meiss, real estate broker and farm manager in First Mid's Bloomington office, met with Poppe. "After visiting with Kevin about his goals and needs, we listed his farm. Our marketing efforts promptly resulted in a nice offer that was acceptable to Kevin in the time frame he needed," says Meiss.

Poppe says Meiss and others from the Bloomington office had good rapport with potential buyers and were able to match him with a group wanting to make a 1031 Exchange.

"Kevin (Meiss) did his homework from the beginning and presented good ideas. Everything quickly fell into place in making the sale," says Poppe. "We accepted an offer two or three weeks after the property went on the market. It turns out the buyers were people we know. It gave us a good feeling to make the sale since we have a relationship with them."

Poppe says he would strongly recommend First Mid to other land sellers. "First Mid knows how to find buyers. While the company name has changed, the same farm management people are still there and that is an advantage for sellers like me," he says. MF



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