

**OFFIRR - Ontario Family Farm Interest Rate Reduction**

The above program offered in 1985 has been renewed for three more years with some significant changes to it. In 1986 applicants will receive 100% of the benefits; 1987 - 70%; 1988 - 40% of the entitlement calculated under the program criterion.

One new feature is that it will consolidate the present FOCAP interest reduction grant on floating rate operating and term notes. As well, BFAP applicants are now eligible to participate in the program.

**Program Details**

1. Eligible producers are those who own and personally operate a viable family farm. Husband, wife (common-law and otherwise) and children under 18 years of age are considered to be one unit under this program. Where more than one family earns its living from a single unit, each family may apply for benefits on up to \$260,000 in debt.

2. The program provides interest rebates on up to \$260,000 of existing long intermediate and short-term farm debt held by approved lenders to bring the effective cost of credit down to 8%. The maximum rebate will be seven percentage points.

For long and intermediate term debt, the loan balance and interest rate charged on September 1st of the program year will be used to calculate the benefits. Short term loan benefits will have calculations done based on loan balance and interest rate on the 15th of each month. Approved lenders under this program are chartered banks, trust

companies, credit unions, caisse populaire, trade creditors, and any other lender with whom a valid loan agreement exists, where it can be shown to the satisfaction of the ministry that the lender has received interest.

3. The program is targeted to those farm families whose equity is between 10% and 75%.

4. The maximum amount of debt eligible for consideration will be reduced by \$1.00 for every dollar by which the family's net worth exceeds \$500,000 (thus those with \$760,000 or more net worth will not be eligible).

5. The maximum eligible amount will be reduced further by \$2.00 for every \$1.00 outstanding under a Junior Farmer Establishment Loan Corporation Mortgage on September 1 of the relevant program year.

6. The maximum eligible amount will be further reduced by \$1.00 for every \$1.00 of loan covered under BFAP as of the application date.

7. Total benefits will be further reduced by 30¢ for every dollar by which off-farm family income in the tax year preceding the relevant program year exceeds \$30,000. Family allowance and pension income are not included in off-farm income.

8. Application will be made directly to the Ministry by the farmer and cheques will be sent directly to the farmer. Cheques are not assignable to creditors.

9. If the farmer is dissatisfied with a decision of the administration, then he/she may appeal to an appeal board of farmers appointed by the Minister. The cost of an appeal is \$100. This amount is refunded if the appeal is upheld in whole or in part.

10. Applications will be available beginning September 1 of each program year and will be accepted until May 18 of the year following the program year (e.g. from September 1, 1986 to May 18, 1987 for the 1986 OFFIRR).

11. In order to establish eligibility, the following documents must be submitted: tax returns for both spouses, consolidated net worth statement, accrual income statement, cash flow and production plan for the upcoming 12 months, and a verification from the lenders of debt outstanding and the related interest rates as of the dates outlined in #2.

Reprinted from Leeds County Agri-News

**ELGIN LIONS COMMUNITY HALL PROGRESSING WELL!**

The Lions Club Community Hall is now a reality rather than a dream. With the huge rafters going up and the sheathing and shingle now completed, the oft-times muddy site has been a hive of activity. Many of the local Lions members have spent much of their spare time getting the building "closed-in". Members hope to continue the work as funds permit and while money may in short supply at this time, the enthusiasm and volunteer work of members is not! From the exterior, the Hall should prove to be a most worthy addition to the community and permit a great variety of events to take place within its walls. If you would like to help keep the "building" progressing, your donation will be most gratefully accepted by any member of the Lions Building Committee. If in doubt, contact Ron Tinkus or Doug Summers.

**HARLEM-CHANTRY UCW**

Mrs. Elleda Dunkeld was hostess for Harlem-Chantry UCW meeting Sept. 2. Members were welcomed. A special welcome was extended to Rev. and Mrs. Stewart, the new minister for Delta-Toledo Charge.

Meeting opened with members repeating the UCW Purpose in unison. 14 members answered the roll call with a fact on the theme "Canada's Northern People".

Phyllis Bond conducted the worship service assisted by Alice Campbell. Offering was received and dedicated. Minutes were approved as read. Correspondance was read. 24 home and 14 hospital visits were made and 24 books were read. Cards were signed for shutins. Marion Hutchings gave a chapter of the study book - Education - Canada's Native People.

Treasurer gave a financial report. Donations were made to the project of the month.

Rev. Stewart closed the meeting with prayer. Refreshments and a social hour were enjoyed by all. Next meeting will be in the church Oct. 7.



Lions Community Hall, Elgin photo courtesy L. Hutchinson

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**TREES FOR WINDBREAK PLANTING**

Orders are now being accepted by the Ontario Ministry of Natural Resources for trees suitable for Windbreak purposes. Applicants must own a minimum of five acres. Free Advisory Services available. Interested parties telephone: 382-3937; 342-8524; 342-2124; 545-4360 and leave your name, address and telephone number.

**INSURANCE ANSWERS TO KNOW**

**QUESTION:** My 71 Ford was recently damaged in an accident at which I was not at fault. The insurance company paying for my damages only offered me \$800. for the car even though it was in perfect shape and to repair it will cost me \$1200. Does this seem fair?

**ANSWER:** An insurance policy is normally based on the principle of "indemnity": i.e. it reimburses you for the loss you have suffered, without allowing you to gain from the loss. The value of the vehicle in your case is less than the repair cost would be. Hence the maximum the insurance company will pay is the vehicle's worth. Though on the surface this seems unfair, the other side of the coin is that if you had sold your vehicle prior to the accident, the maximum you would have received for it would be \$800. Really, therefore, the value of the vehicle on the open market is that amount and that is what the insurance company will pay. To you the vehicle is probably worth more. However, in arriving objectively at a value, an insurer cannot take into account emotional attachment, or some other intangible factor. Basically they must use the objective value which is the fair market price based on the condition your vehicle is in.

A good broker, working for you, can often help you negotiate a fair settlement. At the same time he is also confined to the indemnity approach. If we can help at any time on any insurance problem, call us. We are here to serve you.

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