



# FIRST ON THE FARM

FROM THE EXPERTS AT THE FIRST NATIONAL BANK IN SIOUX FALLS

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## WHAT IT MEANS TO CULTIVATE YOUR FUTURE



**BRIAN GILBERT**  
Ag Banking Manager

For 12 years, the First National Ag Team has hosted its Cultivate Your Future event to provide ag producers with the tools and education they need to remain profitable for the long term. This year's event will feature speaker Jolene Brown.

Jolene is a nationally renowned speaker, succession planner, and champion for agriculture. Using her ag background, she speaks primarily to producers about succession planning and transitioning the farm to the next generation.

However, her presentation "The Positives of Passing It On" is not limited to ag producers. This interactive workshop will use lessons from successful business leaders to teach attendees how to honor their family while transitioning their business to the next generation.

We want any ag producer or

family business owner in the area to attend, so we can equip them with the tools to succeed for years to come. And they don't have to be a First National Bank customer either!

I have heard Jolene speak, and she is great at cutting through the emotional parts of succession planning and bringing people to the table to formulate a plan. She will speak for an hour and a half and then ask questions to a panel of expert advisors: Don Rahn, Wealth Advisory Manager with First National Wealth Management; Heath Kooiman, partner at the Woltman Group; and Todd Wilkinson, partner at Wilkinson & Schumacher Law in DeSmet, SD.

Our community involvement is focused on events that have a huge economic impact on Sioux Falls and the surrounding communities, as well as highlight the ag industry and what our producers are doing to help feed the world. Our annual Cultivate Your Future event is just one more thing we can do to accomplish that. Plus, we love to see our ag producers and local business owners all in one place so we can learn and grow together.

If you would like to attend the Cultivate Your Future event, call (605) 335-2927 to RSVP by February 10. We hope to see you there!

### SCHEDULE OF EVENTS FEBRUARY 24 AT THE ALLIANCE

- 9:30 AM** Arrival and Registration
  - 10:00 AM** Tregg Cronin - Grain Marketing
  - 11:30 AM** Lunch
  - 12:30 PM** Jolene Brown - The Positives of Passing It On  
Our Ag Banking team welcomes nationally renowned speaker Jolene Brown. Join us as she presents "The Positives of Passing It On," an upbeat workshop where you'll learn that if you want to honor the family, you'd better do the business right.
  - 4:00 PM** Wrap Up and Social
- RSVP to Abby at (605) 335-2927**





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**Our agency is an equal opportunity provider.**

# INSURING YOUR SUCCESS



**TYLER  
URBAN**  
Crop Insurance  
Specialist

If there is one positive of some of these cold winter days, it is that they likely push farmers to work in the office versus doing something perhaps more enjoyable outside. This winter, as farmers have been reviewing seed and fertilizer orders and updating balance sheets, and doing year-end taxes, I would say that the mood has been quite optimistic for most. I know I enjoyed updating my balance sheet this year more than other years. A big reason

for this optimism last year and going into this year? Crop insurance!

Last spring, we had insurance guarantee prices set at \$4.58 for corn and \$11.87 for soybeans, which were the highest prices we had for several years. Those prices allowed producers to lock in pretty high coverages that, in certain cases, may have insured a profit, so when the summer turned hot and dry, the stress factor likely wasn't as high as it could have been if we had low insurance prices. I carried a high coverage level on my farm last year to take some risk off the table. By July 4, I fully anticipated not needing to get the combine out of the shed, but I knew I had enough crop

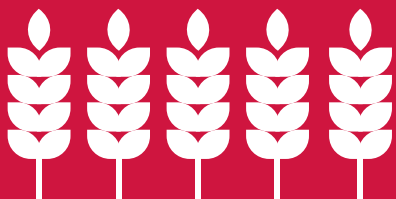
insurance coverage to allow me to farm in 2022.

Presently, spring crop insurance prices could be even higher; as of February 7, the spring price for corn is \$5.75, and soybeans are \$13.95 (subject to change). These strong prices could provide a significant amount of coverage and potentially lock in some profits for farmers, even with much higher fertilizer, chemical, and fuel costs. Now is the time to review those coverage levels and look at paying more for the higher coverages to lock in these high-guarantee levels. Some other crop insurance products on the market are based on county levels of production and are not specific to one's

own operation. With prices this high, I would stay away from county crop insurance products and spend those dollars on insurance specific to my own farm.

I would be happy to meet with anyone to further discuss some crop insurance options. Insurance sales season ends on March 15, which is also when farm program signup elections are due at the FSA offices. If you need help deciding between Agriculture Risk Coverage (ARC-CO or ARC-IC) or Price Loss Coverage (PLC), I would be happy to help. Feel free to contact me at (605) 940-0896. I hope everyone has a great rest of winter and spring.

**FEATURED  
SERIES**



## Farmers 'N Bankers Program

### Cultivate Your Future – Class IV – Session Five

- February 24, 2022
- Tregg Cronin – Farmer, Market Analyst, and contributing analyst to DTN-Progressive Farmer
- Jolene Brown – CSP, CPAE
- Recognize Class IV graduates and incoming Class V participants

### The Good, Bad, and Ugly of Farm Financials – Class V – Session One

- March 30, 2022
- How to interpret your financials
- What can be done to improve your financial ratios



# FARMERS 'N BANKERS PROGRAM UPDATES



**GRANT OLSON**  
Ag Banker

Session Four of the Farmers 'N Bankers program was held in Sioux Falls on December 8, 2021. During this session, we had presenters from the Woltman Group and FNB Wealth Management join us to discuss topics ranging from the importance of year-end tax planning to what happens to your assets when you die.

As we all know, death and taxes are two guarantees in life, and planning for these events can be easy to move down the "To Do" list. Because of this, we wanted to give participants the opportunity to hear from industry professionals on why these topics are important and what

can be done to simplify the process.

The final session for Class IV will be our Cultivate Your Future event, which will be held on February 24, 2022. During this session, we will be recognizing the following Class IV graduates:

Eric and Dana Kroupa  
Jacob and Kassie Boomsma  
Josh and Ashley Bonnstetter  
Kara Kayser  
Matt and Brittney Klein  
Rodney Koch and Maria Piacentino  
Scott Biskeborn  
Ty and Janylyn Klein

We have begun taking applications for Class V of our Farmers 'N Bankers program. If you are interested in learning more about the program, please contact your Ag Banker, or give me a call at (605) 940-6517.

# NEW AG ANALYST - LOUISE BRANCH



**MITCH GUSO**  
Ag Analyst

is another reason I wanted to work at FNB."

Now that he's here to stay, Mitch is looking forward to building relationships with customers and the members of the Ag Banking team. And he's excited to learn about the financial side of agriculture too!

When he's not building relationships with producers, Mitch is spending as much time as possible outdoors. His pastimes of choice include golfing, fishing, and hunting with his black lab, Koda. When he can't be outside (because, you know, South Dakota weather!), he's spending time with friends and family or watching sports — preferably football, basketball, or golf.

You can stop by the Louise branch to say hello to Mitch, along with the rest of our Ag Banking team!

We are excited to welcome Mitch Gusso to our FNB Ag Banking team. You might recognize Mitch from his internship with our Ag Credit department in 2021. Now, he's back for good as an ag analyst at our Louise branch.

Mitch grew up in Brandon and continues to call it home. Meanwhile, he's a senior at South Dakota State University, where he'll graduate in May with an ag business degree. He decided to come back to FNB after his internship because he enjoyed working with a wide variety of farms and learning their individual stories.

"I felt at home with the Ag Banking team right away, which

# RISING INTEREST RATE IMPACTS



**PHIL DEGROOT**  
Ag Banking  
Team Lead

We have all been hearing about and feeling the effects of rising inflation in the United States. You can see them in the rising cost of food, fertilizer, chemicals, parts, etc.

In fact, there are very few things that the quick rise in

inflation has not impacted, which is why something needs to be done to slow it down. One thing that can curb inflation is an increase in interest rates.

We have been hearing for the past months about the possibility of the Federal Reserve increasing the WSJ Prime Rate in 2022. This impacts most producers as they will see an increase in their rates on their lines of credit, which will be another added expense to their

operation. However, it is important to remember that even with a 1-2% increase in short-term, rates will still be at historical lows.

During these times, with rising prices on inputs, banks stress the need for their producers to understand their cash flows and retain working capital. We have seen many of our customers retain and even grow their working capital during the past two years, and with rising costs and tightening margins, that capital will help

keep the operating line usage down and the impacts from the rising interest rates low.

We talk with our customers all the time about managing expenses and marketing their crops/cattle for a profit, and managing operating lines in a rising rate environment is part of that. We at First National Bank understand navigating the different aspects of our producer's operations and are here to work with you every step of the way.



# MEET THE AG TEAM



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