

FIRST ON THE FARM

FROM THE EXPERTS AT THE FIRST NATIONAL BANK IN SIOUX FALLS



FirstNationalBank

www.fnbf.com The First National Bank in Sioux Falls® Member FDIC

IN THIS ISSUE

Page 2
INSURING YOUR
SUCCESS

Page 3
COMING HOME

CULTIVATE YOUR
FUTURE

A BRIGHTER FUTURE FOR AGRICULTURE

In recent years, our ag lending department has experienced remarkable growth, reflecting our unwavering commitment to the agricultural community. As a family-owned bank, we understand the unique challenges and opportunities that farmers face.

This perspective has driven us to enhance our services, ensuring that we not only meet the needs of our customers but also contribute to the vitality of the agricultural sector.

We have recently expanded our team by adding new experts with diverse backgrounds in agriculture and finance. This strategic move allows us to offer tailored solutions that address the specific requirements of our customers, whether you are a seasoned farmer or newcomer to the industry.

Our team members bring invaluable insights and expertise, enabling us to provide personalized support and guidance tailored to your operation. What sets us apart is our unique value proposition: we prioritize and build successful relationships over transactions.

Being a family-owned institution means we are deeply rooted in the communities we serve. We take the time to understand your goals and challenges, ensuring that our financial products align with your needs. By taking a personalized approach, we can foster trust and loyalty; that makes us a preferred partner in agricultural financing.

We are extremely excited to have recently broken ground on our newest location in Chamberlain, SD, where we'll continue to provide top-tier services to our customers in the central part of the state. These are the next steps in our expansion to rural areas throughout South Dakota.

But our commitment to agriculture goes beyond lending. Our bankers actively participate in local events and initiatives that support farmers, promoting sustainable practices and community engagement.

By investing in our customers and the agricultural industry, we aim to create lasting impacts that benefit both our bank and the families and communities that rely on farming. Agriculture continues to be South Dakota's #1 industry, and we are proud to serve the farmers, ranchers, and agribusinesses throughout our state and region.

As we continue to grow, our focus is on enhancing our ag lending services to ensure that we remain a vital resource for the agricultural community. Together, we are cultivating a brighter future for agriculture.

Please join us on February 19 at our Cultivate Your Future event in Sioux Falls. You can find more information on Page 3 about this day of producer education and socializing.

**BRIAN
GILBERT**
Ag Banking
Manager





**FirstAgRisk
Management**

at The First National Bank in Sioux Falls®

Our agency is an equal opportunity provider.



**GRANT
OLSON**
Ag Banking Team Lead



INSURING YOUR SUCCESS

We have a lot to cover with the start of the new year. Here are some helpful updates on ag policy news, farm program options, and crop insurance.

Ag policy news

At the end of December, the USDA announced payment rates for the various crops that are included in the Farmer Bridge Assistance program (FBA). A total of \$12 billion was allocated for this program, providing economic assistance payments to producers of qualifying crops to offset declining profit margins for the 2025 crop year.

FBA payments are also meant to offset price impacts from the export market tariffs. Of the \$12 billion allocation, \$11 billion will be paid to producers of the following crops: corn, soybeans, wheat, cotton, and rice.

The remaining \$1 billion has been earmarked for specialty crop producers. Below are a list of area crops and their corresponding FBA payment rate:

- Soybeans – \$30.88 per acre
- Corn – \$44.36 per acre
- Wheat – \$39.35 per acre
- Oats – \$81.75 per acre

Your local Farm Service Agency will manage the application for the FBA program. Pre-filled applications should be available at FSA offices the week of February 23, with payment distribution to begin the week of February 28.

There is a \$155,000 payment limit per eligible person or legal entity. Entities such as LLCs, corporations, trusts, etc. will be limited to a maximum payment limit of \$155,000. Any person or entity with an adjusted gross income exceeding \$900,000 will not be eligible to receive FBA payments.

2026 farm program and crop insurance updates

New in 2026, the Supplemental Coverage Option (SCO) will be available to producers that choose the Price Loss Coverage (PLC) and the Ag Risk Coverage (ARC-CO) farm program options. In recent years, a producer that elected PLC for a crop would not be eligible to purchase SCO from their crop insurance provider.

To provide a quick refresher: SCO is a county-based product that a producer can elect, which provides additional (county-based) coverage over and above your underlying individual policy coverage, for up to 86% total coverage (individual + county-based).

Enhanced Coverage Option (ECO) is another area-based insurance coverage that allows a producer to cover an additional band of revenue above SCO, increasing individual plus SCO coverage from 86% to up to 95%. Again, SCO and ECO are area-based coverage options that can be elected by March 16, 2026, which is the crop insurance sales closing date.

In 2024, SCO and ECO carried a 44% premium subsidy. In 2025, the federal government increased that subsidy to 65%. New in 2026, the federal government is now subsidizing SCO and ECO premiums up to 80%.

The increased subsidy from 2024 to 2025 resulted in enrolled acres jumping from 15 million in 2024 to more than 60 million acres in 2025. With the additional subsidy in 2026, I would expect to see another substantial increase in acreage enrolled in SCO and ECO.

As we enter the month of February, remember that the spring price is set this month for corn, soybeans, and spring wheat revenue insurance policies. These prices will be released on March 5, 2026.

For more information regarding ag policy updates, farm program options, and crop and livestock insurance updates, reach out to your Ag Banker.

COMING HOME

In September 2023, my family and I had the opportunity to move to Arizona, where my wife's parents live and we visit frequently. I have lived in South Dakota my entire life and wanted to try something new and different.

The goal here was to gain perspective and prevent any regrets later in life. My wife is adventurous and loves the sun, so we jumped when the opportunity presented itself.

I took a lending role with a farm credit association (not ideal, I know) in Tempe, Arizona. I learned quickly what I had always suspected to be true: there is nothing that adequately compares to a local, family-owned bank like FNB.

While in Arizona, I maintained steady contact with Brian and the team to stay up to date with how the ag department was doing at FNB, as well as to be sure that if the time came to move home, it would be a smooth transition back into the team.

We also had our second daughter during this time. We now have Elle, who is 8, and Blair, who is 1. I am outnumbered 3-to-1 in the house,



and the girls all loved the heat of Arizona. I spent most of my time melting.

We did have the opportunity to do some traveling, and we enjoyed several pool days and extra time with my in-laws. While the Arizona weather is truly fantastic for at least six or seven months out of the year, we realized that what we really missed were our people.

We have an abundance of friends and family here in South Dakota, and our daughters have tons of friends to play and grow up with. That small something that was missing became what really lead us to wanting to be back home.

I personally was also missing the autonomy and culture of FNB. The culture as a whole is fantastic, but I especially missed the team mentality and approach that we have on the First National Ag Team. Knowing not just my customers, but our entire customer base, is not something that every bank does, especially a very large farm credit association like I was at.

We're home, and I am very grateful for the opportunity to be back with FNB. Don't hesitate to reach out at (605) 359-8102 if there is anything you would like to chat about.

**THOMAS
NEWMAN**
Ag Banker



CULTIVATE YOUR FUTURE

FEBRUARY 19

You and a guest are invited to join us for a day
of producer education and socializing.

HILTON GARDEN INN SOUTH / 5300 S. Grand Cir., Sioux Falls

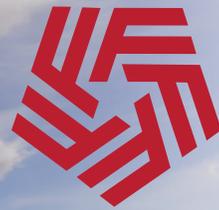
- 10:30 AM Arrival and Registration
- 11:00 AM Blaine Nelson
Farmer Mac Economist
- 12:00 PM Lunch
- 12:30 PM Adam Bode
Cattle Markets/Trends
- 1:30 PM Tregg Cronin
Grain Marketing Update
- 2:45 PM Social



FirstNationalBank
www.fnbsf.com The First National Bank in Sioux Falls® Member FDIC

100 S Phillips Ave
PO Box 5186
Sioux Falls SD 57117-5186

COMING SOON TO CHAMBERLAIN



FirstNationalBank
www.fnbsf.com The First National Bank in Sioux Falls® Member FDIC