



Newsletter



In Loving Memory of Doug Sorensen



With great sadness, we want to inform our insureds of the death of Doug Sorensen. Doug passed at the age of 80 on June 27, 2024. Doug was the founding agent of Sorensen Insurance Agency serving Ohio and Indiana farmers from 1978 to 2013 when he retired. He enjoyed working with his son, Chris, and his daughter, Jill, who still operate the agency today. Doug also was able to see his grandson, Harrison Sorensen begin the next generation working in the agency. Doug will be greatly missed by many.

2025 Crop Year Planning

The time to review your crop insurance is upon us. Crop insurance has become much more than just a protection of yield; it has evolved into a protection of revenue and price with more options for you to accomplish this.

Here are just a few questions to consider:

- ⇒ What are your planting intentions?
- ⇒ What is your cost of production for each crop and what amount of revenue do you want to protect?
- ⇒ Are you interested in adding additional Revenue coverage to your policy?

- ⇒ Are you concerned about the winter we are having so far and could we be short of moisture for 2025?
- ⇒ Would ECO be a good option for you?
- ⇒ Have you changed entity type or will be certifying under a different name / tax ID number?
- ⇒ Have you added or made changes to your operation?

It's a good idea to start thinking about that March 15th deadline before it sneaks up on you. We are here to explain the details and help guide making decisions for this year.

★ Return your postcard today!

6 E Main Street
PO Box 366
Wapakoneta, OH 45895-0366

Toll-Free: 888-417-8623
Office: 419-738-8623
Fax: 419-738-7232

Agents
Chris Sorensen 419-236-0604
agsoren@bright.net

Jill Sparks 419-302-2919
agsparks@bright.net

Harrison Sorensen 567-356-9572
agharrison@bright.net

Office Hours:
Monday - Friday: 9am-5pm
Saturday: By Appointment
It is always best to call ahead to make sure we are not out of the office on appointments.



THE IMPACT OF LOWER PRICES ON CROP INSURANCE DECISIONS

Lower crop prices continue to expose farmers to more financial risk and are impacting 2025 crop insurance decisions. Managing risk in a tighter ag economy farmers will have to adjust their risk management options in this lower-price environment.

What Farmers Should Consider with Lower Prices

Now is the time to start thinking about next year's marketing and crop insurance decisions. Start your marketing process now and build out your marketing plan for 2025 as soon as possible. The sooner you do that, the less variability you'll have in your crop year for 2025.

Farmers should also try to determine their annual budget as soon as possible to help find the correct coverage level for crop insurance. Making sure you know what's out there as far as your crop insurance options, knowing that you surveyed all the options, whatever decision you make, will let you sleep at night.

Don't cut back on crop insurance, be cautious considering less crop insurance coverage in 2025 because margins are tight. What you don't want to do in these times (of tight margins) is reduce your crop insurance because that's the thing that is going to protect you. There's no other line of insurance that can protect your livelihood the way crop insurance does.

Crop insurance keeps evolving, so talk to your agent now. Crop insurance has changed over the years, with improved options and coverage, there are many options to discuss, since every farm is different and so are the coverage plans.

The deadline to acquire insurance for most crops is March 15th.

USDA Releases Update to ECO

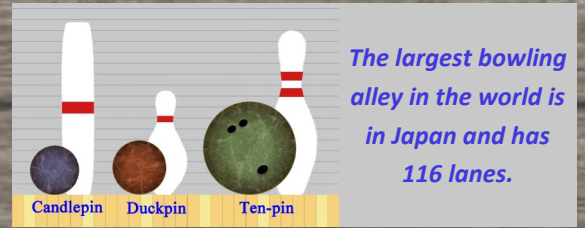
Enhanced Coverage Option or ECO. This crop insurance endorsement is designed to provide more options for producers when managing their risk. Currently, ECO works as an endorsement to the underlying MPCI policy. If a producer should choose yield protection, then ECO would cover yield loss, and if you chose revenue protection, the endorsement would cover revenue loss.

ECO provides additional area-based coverage for a portion of a producer's underlying crop insurance policy deductible. ECO can be purchased as an endorsement to Yield Protection, Revenue Protection, Revenue Protection with the Harvest Price Exclusion or Actual Production History. ECO offers producers a choice of 90 or 95% trigger levels. Trigger is the percentage of expected yield or revenue at which a loss becomes payable.

Additionally, RMA is increasing premium support for all crops covered by ECO to 65% to make the policy more affordable for producers. This is a **14%** increase for ECO on yield protection which was originally at 51% percent premium subsidy, and an increase of **21%** for revenue protection which was originally at 44% premium subsidy.

Interested in adding ECO to your risk management plan in the 2025 crop year? Connect with us and see how ECO can fit into your risk management strategy!

ECO coverage is unaffected by participation in USDA's Farm Service Agency's (FSA) Agriculture Risk Coverage program for the same crop, on the same acres. Producers may select ECO regardless of FSA farm program election.



Farm bill extension means familiar safety net in 2025

Congress' extension of the 2018 Farm Bill for another year means farmers have a familiar safety net in place. It's going to be the same farm programs as we had last year, so nothing changes. The farm bill will not change anything in the crop insurance program.

Current commodity prices mean decisions on farm safety net programs are even more important. Most farmers will probably pick ARC for soybeans, ARC for corn, and PLC wheat.

What will the prices end up being for ARC or PLC?

Corn ARC-CO: \$5.03/bu.

Corn PLC: \$4.26/bu.

Soybean ARC-CO: \$12.17/bu.

Soybean PLC: \$9.66/bu.

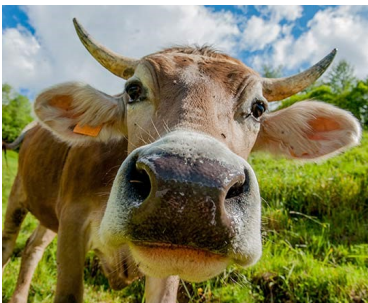
Wheat ARC-CO: \$6.72/bu.

Wheat PLC: \$5.56/bu.

While program payments are far from certain, an early look at potential farm program payments for the 2025/26 crop year. Total program payments for the 2025/26 crop year are projected at \$5.4 billion, with approximately \$3.6 billion in PLC payments and \$1.7 billion in ARC-CO payments.

This will change as enrollment decisions become known.

- Corn is projected to receive \$3.2 billion in program payments, or approximately \$39 per base acre, est.
- Soybeans are projected to receive \$565 million in program payments, or approximately \$12 per base acre, est.
- Wheat is projected to receive \$373 million in program payments, with an average payment of \$7 per base acre, est.



Return the postcard or call us today!

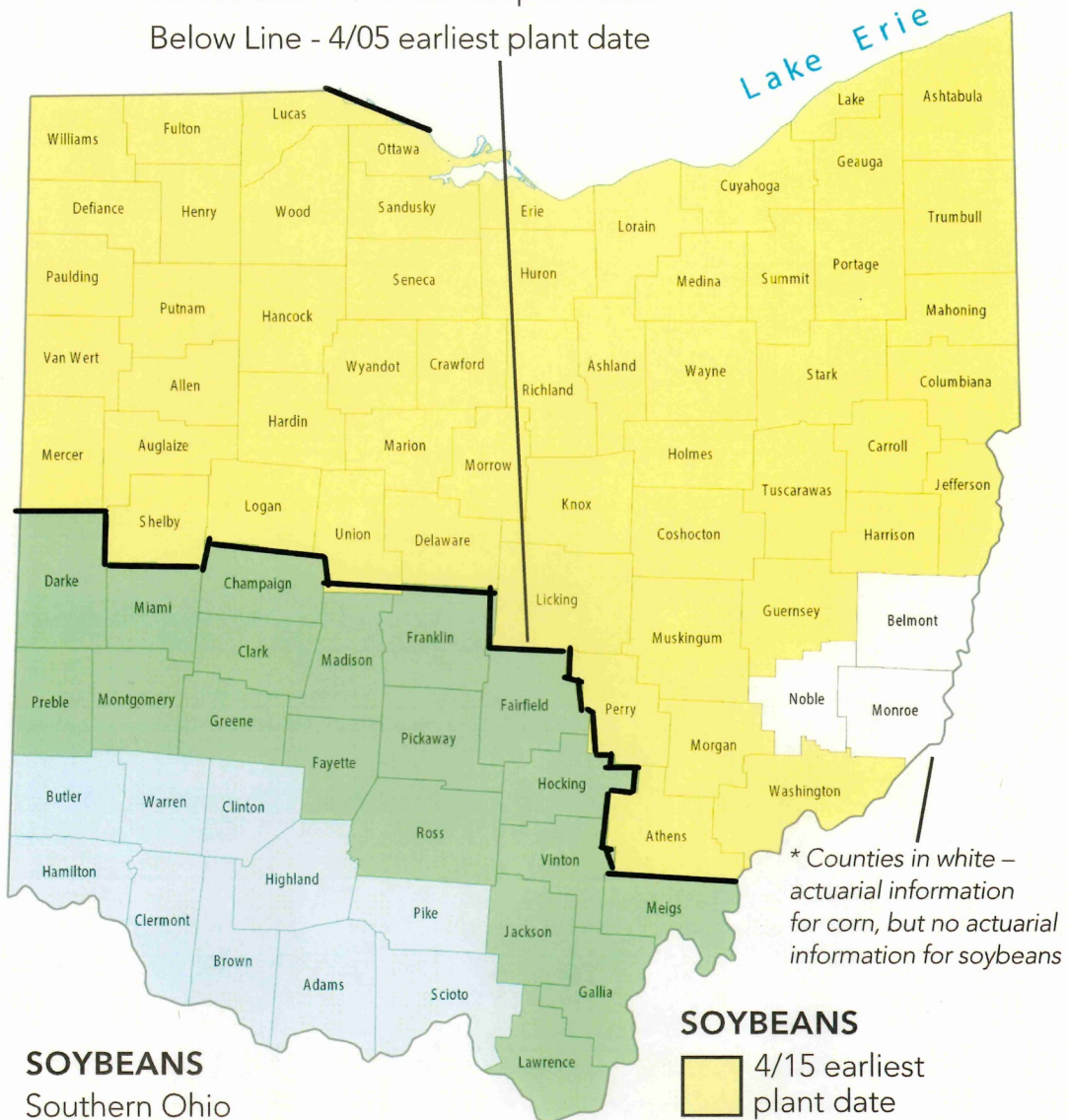
Remember, you only have until March 15, 2025 to make any changes to your policy and coverages. We will be glad to hold individual or small private meetings at our office or at a location of your choice. Call us to set up a date or return your postcard.

2025 Corn and Soybean Plant Dates

CORN

Above Line - 4/10 earliest plant date*

Below Line - 4/05 earliest plant date



PROTECTING CONFIDENTIAL INFORMATION - Identity theft is a common topic appearing in the news headlines today. RCIS, FMH, AgriSompo, ProAg, Great American and Sorensen Insurance Agency take the necessary precautions to protect the confidentiality of personal customer information such as social security numbers, tax identification numbers and production history. Sorensen Insurance Agency is an equal opportunity provider.

