



BRUNING BANK

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Ten Commandments of Human Relations

I have found the following to be important in our everyday lives. With so much going on in our world today, human relationships and how we treat people are so valuable. Below are the ten commandments of human relations:

1. **Speak to People.** There is nothing as nice as a cheerful word of greeting.
2. **Smile at People.** It takes 72 muscles to frown and 14 muscles to smile.
3. **Call People by Name.** The sweetest music to many ears is the sound of one's own name.
4. **Be Friendly and Helpful.** If you have friends, be friendly.
5. **Be Cordial.** Speak and act as though everything you do is pleasurable.
6. **Have A Genuine Interest in People.** People like to be noticed and appreciated.
7. **Be Generous with Praise, be Cautious with Criticism.**
8. **Be Considerate of the Feelings of Others.** Try walking in their shoes.
9. **Be Thoughtful of the Opinions of Others.** Respect their viewpoints.
10. **Be Alert to Give Service.** What counts most in life is what we do for others.



FRED D. BRUNING

Treating each other with respect and being a good listener along with the above Ten Commandments of Human Relations are all things we could do to make a better world.

You will read an article from our friend Dr. David Kohl in this newsletter; he makes our world better. Dr. Kohl is from Blacksburg, VA and has a keen insight into agriculture industry, gained through extensive travel, research and involvement in ag business. We are fortunate to have him come each year to share his insight and knowledge. Enjoy an article he shared with us in this edition!

-Fred D. Bruning, Chief Executive Officer

“Success is often measured in dollar signs, Significance is giving back and making a difference in people’s lives.”

- Dr. David Kohl -

Jerry's Journey



JERRY CATLETT

I've been writing my newsletter articles for many years under the tag line, "Jerry's Journal". As we begin 2026, I think I'm going to change the tag line to, "Jerry's Journey". The years have sped by! Seems there was not a governor slowing the passing of time! I've heard the saying it is the miles not the years. For me, it is both. I began my banking career in early 1983 in Arcadia, NE, then moved to Broken Bow in late 1985 and moved to Bruning in January 1993. I look at those dates and reflect on each bank, community, and the people I had the opportunity to meet, to serve, to meet their financial needs, and to be involved in community service.

Everyone has a story, mine is not unique or even that interesting! However, the miles and the years the Good Lord guided me down, have given me the opportunity to participate, engage, interact, serve people, and allow me to know has been incredible! As my retirement date gets closer, it is a bittersweet patch of the journey.

When you find something you love to do (most days!) you aren't going to work. I may still love this industry and the people; there is the reality of rapid change and flow of information. I was with a few of my peers discussing bank staffing needs and the skills that bankers now need to thrive, when I realized the dinosaurs didn't know what was coming! Unfortunately, I do know and I feel like one too! Recognizing that fact helped me make the decision that leading a technology based financial service company (Bruning Bank) takes more energy, curiosity, learning, and people skills, more than ever. Just like every other business! For example, I'm not as curious about learning as I once was. That is not good for someone in my position.

As you may know, the Board of Directors have appointed Ken Mehlin, President and Chief Operating Officer-Elect. Ken has served as Executive Vice President and Chief Credit Officer for almost eight years. Congratulations to Ken! We are beginning to search for his replacement internally and externally. As 2026 progresses, we will work together for a smooth transition.

I've got two more newsletters to write. I'll relate a story or an encounter experienced during this journey! The Good Lord has blessed me with a wonderful spouse and life partner, a great family that includes my (banker) daughter, Cecelia and her husband Michael, and grandchildren Klifford and Claire.

Better than I deserve!

- Jerry Catlett, President, COO

Bank Smart Travel Tips



In December, my family took a vacation to Mexico with our friends. We planned the trip a year out and couldn't wait for December of 2025. As time got closer, I was thinking of all the things we needed to get ready for our trip, especially taking our toddler with us. There are so many essentials for going on vacation and here's a few more to think about.

With spring breaks just around the corner, or bad weather (whichever one makes you decide you are ready for your next vacation), we have a few tips that you can add to your travel list.

Before you travel, be sure to notify your local Bruning Bank that you'll be out of town. International purchases cannot be made on your card without first contacting your bank. Setting your travel dates helps ensure your card works while you're away,

but fraud alerts may still be sent to verify your transactions. Responding promptly to those alerts is important to keep your card active and avoid interruptions while traveling.

The mobile app is very handy when you know what is available to you. When you are getting ready to leave for vacation, log in and set your travel plans. You can access this under cards >manage travel plans. This will help with the alerts you receive while you are gone.

Another advantage in the mobile app is the ability to turn your card on or off – simply swipe to disable it if it's lost or if you prefer extra security and remember to turn it back on when you are ready to use it.

The mobile app allows you to bank anytime, anywhere. Especially while you are on the go. Make sure your 2026 vacation is stress free and reach out to your local Bruning Bank with any further questions.

- Kaylee Melvin, Relationship Associate Manager

HSA

Save smarter for healthcare with a Bruning Bank HSA. Enjoy tax advantages, easy access to funds, and unused balances that roll over year after year. Learn more at bruningbank.com!

My Bruning Bank Journey



I first met Fred Bruning grilling hamburgers at the Buffalo County 4-H Livestock Auction for the Buffalo County Bankers Association. Fred asked if I would be interested in talking to him about Bruning Bank. At first, I declined, as I was happy where I was employed. Over the next few years, the bank where I was working changed in a manner that I did not feel comfortable. I researched Bruning Bank to make sure it was a bank that aligned with my values and banking philosophy. I could tell quickly that we were a match. I called Fred and said I was ready to look at working for Bruning Bank-the rest was history.

I have been fortunate to work for the Bruning Bank over the past eight years, mostly as the Chief Credit Officer. The values and culture of the bank have been exactly as I expected. In our Kearney location, we have had some employees with medical issues. The bank and the Bruning family have stepped up to help these employees in many ways. Every employer talks about supporting employees... Bruning Bank SUPPORTS employees! I have seen this time and time again across all locations.

Our goal is always to help customers Build and Maintain Wealth. This statement is the core of the decisions we make.

Sometimes the decisions are hard, and some may disagree with the decisions, but we truly try to do what we believe is in the best interest of the customer. Having said that, we are human, and we do make mistakes. How we correct mistakes fairly helps define the bank's culture.

I was fortunate to be named the successor to our current President and Chief Operating Officer, Jerry Catlett, when he retires in October 2026. The bank has been very successful under Jerry's watch, with the guidance of the Bruning family. As I mentioned above, my values and philosophy match very well with the Bruning family and the bank. I do not plan to make very many big changes... why make big changes to a successful organization? Of course, we will continue to make necessary changes as the banking industry and the world we live in change. We will also continue to look for ways to be more efficient and improve the customer experience, so we further help customers Build and Maintain Wealth.

I look forward to the transition to President/Chief Operating Officer over the next several months. My challenge is to download Jerry's knowledge into my brain. I don't think I will have the capacity to hold all his knowledge, but I will do my best. I look forward to getting to know more of you over the next few months and years!

-Ken Mehlin, Chief Credit Officer



Don't let check fraud/theft slow your business down. Call your Bruning Bank location and sign-up for Positive Pay today!

Why Banking Local Still Matters



In today's world of national banks and online lenders, it's easy to wonder if local banking still makes a difference. For rural communities, farmers, and small business owners, the answer is absolutely.

At Bruning Bank, decisions are made by people who live and work right here. That means our bankers understand local land values,

agricultural cycles, and the challenges faced by family farms and small businesses. You're never just an account number, you're a neighbor with a story, goals, and plans.

When you bank with us, your money stays close to home. Local deposits help support area farms, businesses, and families, strengthening the communities we all depend on. That local

reinvestment plays an important role in keeping rural economies healthy and growing.

Strong relationships are at the heart of how we do business. Whether you're navigating seasonal cash flow, planning for expansion, or preparing for the next generation, we work alongside you—not just today, but for the long term. When challenges arise, having a banker who knows you personally makes a difference.

Beyond banking, Bruning Bank is committed to the communities we serve. Our teams support local events, schools, ag programs, and organizations because we believe strong communities create strong futures.

Local banking isn't just about where you keep your money. It's about trust, partnership, and investing in the people who make our communities thrive. That's why banking locally still matters.

-Dave Richardson, President- Grand Island (NMLS #445892)

What Can \$7 Corn Teach \$5 Calves



With three decades in agricultural lending, I have observed significant fluctuations in commodity prices over the past five years, including \$7 corn and \$5 calves, as well as periods where corn prices dropped to \$3.50. During this time, I have encountered both some of the most straightforward and some of the most challenging renewal seasons of my career.

Approximately five years ago, grain producers benefited from favorable commodity prices, resulting in strong profitability. Many took advantage of these conditions by saving earnings, reducing debt, expanding operations, or investing in capital—all prudent decisions during prosperous times. However, as we approach 2026, these same producers have faced three consecutive difficult years, leading to diminished earnings and a significant depletion of working capital. Unfortunately, the outlook for 2026 remains uncertain and does not appear to offer much improvement.

Currently, the cattle market is experiencing record-high prices, like the high prices seen in the corn market five years ago. This prompts the important question: What lessons can \$7 corn teach us about \$5 calves? While there may not be a definitive

answer, one clear takeaway is the rapid and dramatic nature of market changes. Many long-term financial decisions are often based on a single year of strong earnings; while some of these decisions prove beneficial, others can have adverse consequences. In light of the current favorable cattle market, I encourage cattle producers to adopt a long-term perspective when making financial decisions. Carefully consider whether your operation could maintain positive cash flow if calf prices were to decline by \$2 per pound, especially if you are contemplating additional debt or capital purchases.

The experience of grain producers, who saw robust earnings quickly erode as corn prices fell and working capital became depleted, serves as a cautionary example. Many have had to sell equipment or refinance land to restore liquidity. In hindsight, many would likely advise maintaining a strong working capital position rather than depleting it through capital expenditures. While the correction in corn supply occurred relatively swiftly compared to what may transpire in the cattle market, market volatility remains a significant risk. Therefore, I urge you to exercise diligence and thorough consideration before making major financial commitments during these prosperous times in the cattle industry.

- Jim Scott, President- Broken Bow

Blocking and Tackling: The Four Pillars of Farm Business Success



The Farm and Ranch Conference in Bruning, Nebraska, is always a highlight of my yearly speaking journey. Traveling to 30 states this year and working with various groups globally has offered a unique perspective. This year's group was enjoyable, with numerous students from the FFA and college mixed with some adults who have attended over the past 25 years. A big surprise was the eggnog from our Homestead Creamery in Virginia! The eggnog and stage set up for the Christmas

season provided a perfect backdrop for the event.

The discussion focused on how global and domestic economic uncertainty will increase volatility, requiring a renewed focus on business and financial mindset. Good old-fashioned blocking and tackling, while not guaranteeing success, will place the odds in your favor.

This concept of returning to fundamentals was reinforced by data presented at another key industry event. A preconference session at the 73rd ABA American Agricultural Bankers Conference, featuring the FINBIN team from the University of Minnesota and Farmer Mac, provided evidence of how the four pillars drive successful businesses over time. What follows are practical insights drawn from their research and real-world observations from farm operations across the country.

Pillar One: Production Excellence with Efficiency

The first pillar of success is generating incrementally higher production each year compared to historical trends or to peers. Over the past five years in the database, the most successful producers generated about 5 percent more in crop yields, livestock output, and milk production gains when compared to their peers, while still maintaining economic efficiency. This might sound modest, but compounded over time, that 5 percent advantage creates substantial separation between the top performers and the rest.

Recent engagement with producers indicates that many are scrutinizing the productivity of their assets. Some are even scaling down or selling assets to become 5 percent better. This counterintuitive approach of getting smaller to get stronger reflects a deeper understanding of what drives profitability. In strategic planning, one exercise that is often overlooked is identifying the three variables or activities you are going to eliminate. The best operators are not just good at adding new opportunities. They look for opportunities to say no to the wrong ones.

Pillar Two: Cost Management

Ownership of your numbers is the foundation of the second pillar. Developing your cash flow and profit-and-loss budgets is not just for the bank; it is the "blocking and tackling" behind a solid management mindset. The key in cost management is not only to develop the cash flow plan but to monitor it throughout the year so tactical adjustments can be made to your strategic plan.

The preconference information presented showed that top-level profitable businesses were 5 to 10 percent better in input costs, such as fertilizer, seed, and sprays. Another overlooked element was that they paid less for cash rents and leases. When these factors were aggregated, whether for crops or livestock, the impact compounded, resulting in a breakeven or slight profit even in struggling industries like grain and row crops, and more substantial profits for the livestock sector, which is currently experiencing a positive part of the economic cycle.

An operational plan to support your cash flow projections is a critical component of the first two pillars. What are your production expenses and their timing throughout the year? What are your debt

service obligations and family living needs? Well-developed assumptions, incorporating best, average, and worst-case scenarios, provide a platform for making objective rather than emotional decisions. This type of planning allows you to see problems coming rather than reacting to them after they arrive.

Pillar Three: Marketing and Risk Management

The third pillar of the blocking and tackling game plan is marketing and risk management. This is where one must incorporate budget scenarios, cost of production, and breakeven scenarios so that an effective marketing plan can be executed and monitored. Data presented at the preconference session indicated that, whether in crops or livestock, the top-level profit farms achieved price outcomes about 5 percent to 10 percent better than their peers. This often required objectively following a plan and not getting caught up in the emotions or hype of marketplace chatter.

The exception was when COVID struck and the marketplace shifted quickly. In that situation, those who followed a plan, whether in crops or livestock, left money on the table. This often becomes the bragging point for those who do not follow a plan. In reality, extraordinary market events like COVID are rare. Over the long run, following a disciplined marketing plan will outperform gut-feel decisions, even if the plan occasionally misses a big rally.

Another component is risk management. Crop and livestock budgets, as well as breakeven calculations, can be critical in determining your business's tolerance for risk. Your risk-taking profile and the amount of working capital or equity you hold also play an important role in risk management decisions. If you are not confident in your abilities in marketing or risk management, an advisor, such as a farm management consultant or lender, can provide valuable guidance. However, you will still be responsible for making the decisions and being accountable for the outcomes.

Pillar Four: Capital Efficiency

The final pillar discussed at the preconference session was capital efficiency. One glaring point was that the most profitable segments had much lower machinery and equipment costs per acre or livestock unit. As one banker at the conference stated, "It's time to conduct an assessment of equipment and machinery that is gathering rust or bird poop." A good partial budget analysis when assessing technology and innovation can also be very valuable.

The whole premise behind capital efficiency, combined with cost management, is the business principle of "earn and turns." That is, net margin or bottom-line profit multiplied by capital turnover, or the efficient use of assets, equals profitability. You can have strong margins, but if too much capital is tied up in underutilized equipment or land, your return on assets suffers. Conversely, high asset turnover with razor-thin margins also fails to build wealth. The best operations balance both.

The 5 Percent Challenge

Yes, these are chaotic times with varying degrees of adversity, including weather, tariffs, and an uncertain domestic and global economy. This winter, segment out the four pillars, conduct an assessment of your business, and aim to become 5 percent better in the key components of each area. This is where a good advisory team or peers can serve as valuable assistant coaches as you develop your foundation for business and financial success.

The blocking and tackling fundamentals of production excellence, cost management, marketing discipline, and capital efficiency are not glamorous. They do not make for exciting conversation at the coffee shop. But they are what separate the operations that thrive across economic cycles from those that struggle when conditions tighten.

- Dr. David M. Kohl, Professor Emeritus at Virginia Tech's Department of Agriculture & Applied Economics

New Employee Spotlight



GABRIELLE RICHARDSON

Gabrielle joins Bruning Bank as a Relationship Associate in Grand Island and is passionate about connecting with people and providing great service. Gabrielle graduated from Northwest High School in December 2024. When she's not at work, you'll find her enjoying time with her family, shopping, and caring for her dog, Millie. Be sure to say hello and help her feel at home!



MEGAN LEMPKA

Megan Lempka joins Bruning Bank as a Relationship Specialist/Mortgage Loan Administrator at the Hebron location. Originally from St. Libory, NE, she moved to Hebron in July 2025 when her husband, Caleb, accepted a position at Thayer Central Community School. She attended the University of Nebraska-Kearney, where she earned her degrees. She and Caleb have two boys, Zeb (9) and Rex (5). In her free time, she enjoys attending the sports events her husband coaches and cheering on her sons in all their activities. She also loves spending time with her family and dogs and traveling—her family is always on the go! She is excited to get back into banking, having worked in the industry previously, and looks forward to getting to know Bruning Bank's customers and becoming more involved in the Hebron community.



DAWN HENRICHS

Dawn is from Kearney and moved to Grand Island after she got married. She doesn't have any kids but has five cats. She loves to rescue animals and spends most of her free time with them and her family. She also enjoys reading and watching her favorite TV shows.



KATHY ROBERTS



KRISTEN MONTEFORTE



DANI DUNKER



JOAN DURHAM

What Kind of Insurance Do We Sell?

We're often asked what kind of insurance do you sell? Well, the Bruning Insurance Agency is an independent agency which means we aren't locked into one kind of insurance or one company. We offer many different types of insurance, and we have access to many different companies. This allows us to provide a great product for a competitive price!

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| <ul style="list-style-type: none"> • Personal Auto Insurance • Rental Dwellings • Jewelry, Guns, Computers, Cameras, & other personal items Insurance • Farm Insurance • Irrigation Pivot Systems - with Replacement Cost Coverage • Camper & Motor-home Insurance • Golf Cart and ATV Insurance - including off-premises coverage | <ul style="list-style-type: none"> • Homeowner's Insurance • Renter's Insurance • Identity Theft Insurance • Flood Insurance • Farm Liability Insurance • Watercraft Insurance • Personal Umbrella Liability • Motorcycle Insurance |
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| <ul style="list-style-type: none"> • Commercial Auto Insurance • Commercial General Liability Insurance • Workers Compensation Insurance • Notary Bonds • Bid, Payment, & Performance Bonds • Directors & Officers Liability | <ul style="list-style-type: none"> • Commercial Property Insurance • Commercial Umbrella Liability • Commercial Inland Marine • Fiduciary Bonds • Errors & Omissions Liability • Professional Liability |
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| <ul style="list-style-type: none"> • Life Insurance - Term & Whole Life • Long Term Care Insurance • Medicare Supplement & Part D | <ul style="list-style-type: none"> • Health Insurance • Disability Insurance • Foreign Travel Medical |
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| <ul style="list-style-type: none"> • Multi-Peril Crop Insurance • Production Hail Insurance • Livestock Risk Protection/Gross Margin | <ul style="list-style-type: none"> • Crop Hail with Green Snap/Wind • Pasture/Rangeland/Forage • Fire Coverages |
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Most companies offer a discount when both home/farm and auto are written with the same company. We are licensed in Nebraska, Kansas, Missouri, and South Dakota! Did you know we offer all those products? In addition, we provide outstanding customer service! So, keep us in mind for ALL your insurance needs. Give us a call or stop by our office for a quote!

- Kathy, Kristen, Dani & Joan
Bruning Insurance Agency



Crop Insurance Reminders

March 16th: Row Crop - MPCI Sales Closing Date

Final day to cancel or change your coverage for 2026.
Final date to apply for new coverage or add crop/counties for 2026.
Final date to destroy/graze wheat and get a reduced premium.

Corn Planting Dates

April 10 thru May 25
• Nebraska counties in our area
April 5 thru May 25
• Kansas counties in our area

Soybean Planting Dates

April 25 thru June 15
• Nebraska counties in our area
April 25 thru June 20
• Kansas counties in our area

Milo Planting Dates

April 16 thru June 15
• Nebraska counties in our area
April 26 thru June 25
• Kansas counties in our area

April 29th:

Final day to report 2025 row crop yields.

Receive Your Claim Payments FASTER

Avoid mail time delays and eliminate the risk of your check getting lost in the mail. Sign up for Direct Deposit!

Contact us TODAY!

Your Crop Insurance Agents
- Kathy, Jeff, & Dani

Not FDIC Insured. Not a guarantee of the Bank. Not a deposit of the Bank. Not insured by any federal government agency. May go down in value.

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Your Home, From the Ground Up



Ready to build your dream home? Bruning Bank offers a construction home loan product to fit your needs. Construction loans are designed to help you pay for the costs of building a home from the ground up. We have financing for every step in the process from purchasing your lot and constructing your home to permanent financing. You don't have to wait until

you find your trusted builder. Visit bruningbank.com today to get prequalified for your construction loan.

The best way to determine your budget for new construction is to meet with your mortgage loan officer. They can help you navigate through all the facets of a construction loan and determine a comfortable price range for you. Once you've visited with your lender, you can work out the details of your house plan and cost projections with your builder.

If you have always wanted to build a custom home or you can't seem to find a home on the market that checks all the boxes, our construction loans are here to help you secure your lot and build the home of your dreams. Our lenders are ready to work with you to help make your dream home come to life.

- Annemarie O'Connor, Mortgage Loan Officer (NMLS #416351)

Give us a call or visit bruningbank.com to explore your Home Loan options!



You Can't Take It With You...



There is a reason the hearse does not have a trailer hitch on it. I have heard many funny stories about people trying to take their money with them when they die. The punch line usually has the widow leaving the deceased with a debit card or the checkbook in the coffin. I used to work with a guy that wanted the funeral coach to pull a U-Haul when he died just to make people talk. Egyptian pharaohs were

buried with their treasures, pets, and servants. The truth is, you cannot take it with you when you have shuffled off this mortal coil. In the Christian religion we believe we go to a better place where our worldly possessions are no longer needed. I am writing this in January, and it seems there are always a lot of people that pass during the holidays and winter months. If you lost someone this year, I am truly sorry and this is not meant to stir up any sad memories. Death is unavoidable and we will all have to deal with it. Benjamin Franklin said, "In this world nothing can be certain, except death and taxes." Not wanting to get political, I thought it was a good time to talk about death.

Since we can't take it with us, we need to plan ahead. I recommend talking to your banker. We cannot do everything you need but we deal with death a lot and have seen the best ways people have planned. If you have accounts at the bank or a safe deposit box, make sure you have other people added as owners. A will or a trust is also good to talk to your attorney about. If you plan to gift money or property to your descendants or charities, talk to your accountant on the best way to do this without paying too much in taxes. Finally, talk to your family about your wishes. It is a tough subject but do it early, openly, and often. I hear too many stories about stubborn people not wanting to deal with it or they think they will live forever. If you don't plan for death, your family might deal with a mess. They may even have to sell the farm you worked hard for just to pay taxes.

Death is sad. There are people I know that have kicked the bucket I wish I could have had just one more conversation with. It reminds me of the saying, "It's not the fall that will kill you; it is the

sudden impact when you land." When people finally pass it is the sudden impact of not having them there anymore. You never know when it will happen and you don't always get to say goodbye. We miss the person that used to talk about life, was there for family events, call randomly, or just be that annoying neighbor that made you smile. No matter how you live your life you do make an impression on other people. My wife shakes her head, but I always try to say hi to my neighbors when I see them outside. I am probably in the annoying category people talk about.

Death can be a good and fun celebration of life. One of my favorite movies is 'Big Fish'. The main character in the movie has a father that told big stories his whole life. At his father's funeral everyone got together and compared notes, and most of them were true. Remembering good times and hearing memorable stories takes the sting out of loss. Funerals do bring families together for a purpose. My grandpa, Banker Frank, used to say, "We are losing all the characters in this world," when his friends passed. He had a lot of great friends with good stories. The type that got bigger with age. Is it the stories that make a person's life or does their life make good stories? Either way we must keep telling them to make us smile and remember.

I am looking in the mirror when I write this as well. I need to do some planning in my life so when I 'resume room temperature' my wife & kids know what to do and who gets my comic book collection. I told my wife that I want to be cremated, and part of my ashes be put into a big firework explosion on the 4th of July, my favorite holiday. She is younger so I just assume I'll die first. I also have requests for my funeral and viewing. One is to have a word search or crossword puzzle on the back of the program. Maybe it's my ADD but I don't know what to do at funerals during the beginning when everyone is quiet and we are waiting for the big box to roll in. I know funeral directors have a good sense of humor as well. I was at one where a young man couldn't get his tie tied. The funeral director said he could help him out, but he would have to lie down. Make the best of life and death, we only get one of each. On a side note, I did learn the mortician's handshake from my in-laws. If you don't know that one yet, ask me sometime.

- Adam Frank Bruning

It's Not a Matter of If, But When



As the cattle pod eased backward toward the chute, I noticed two things.

First, there was a cow bell hanging off the bumper. I chuckled to myself remembering a Saturday Night Live Skit - "we need more cowbell". Some things never stop being funny.

Second, there was a sticker on the back of the truck that read: "It's not a matter of if, but a matter of when."

That one stuck with me.

About that time, Ted—seventy years old if not older — climbed down out of the truck. He'd been hauling cattle longer than some of us had been alive. I nodded toward the sticker and said, "I like that." He smiled and said, "When you get to be my age, you learn that sticker holds true."

Ted wasn't being negative. He wasn't complaining. He was stating a fact learned the hard way—through breakdowns, bad roads, bad weather, and worse timing. And as I stood there watching cattle file through the chute, I realized that sticker could be slapped on just about everything we do on the farm.

Because farming, like hauling cattle, is not a business built on "if". It's built on "when".

When the Yield Isn't There

It's not a matter of if there will be a poor yield year. It's a matter of when. Every farmer has lived it. The year the rain shut off too early. Or wouldn't shut off at all. The late frost. The hailstorm that found the only field that mattered.

Yield loss isn't failure. It's not mismanagement by default. It's part of the cycle. The mistake is pretending it won't happen, or planning like every year will be average or better.

That's why knowing your break-even yield matters. That's why diversification, rotation, fertility discipline, and insurance exist. Not because we expect disaster—but because experience tells us it's not a matter of "if" but "when". On the farm, optimism plants the crop. Realism keeps the operation alive.

When the Market Turns

Grain and cattle markets wear that same sticker. It's not a matter of "if" prices will turn lower after a good run, it's a matter of "when". It's also not a matter of "if" they'll recover after a bad stretch—but "when".

The trouble comes when we convince ourselves that this time is different. Those prices will stay high just a little longer, that rally owes us one more dollar, that idea of selling today means I regret tomorrow. Sometimes "this time" is different, but more often, waiting on higher prices is how profit quietly slips away.

You don't need perfect marketing to survive in agriculture. You need disciplined marketing. Selling portions. Protecting margins. Making peace with the fact that no one consistently hits the top. The owner of the sticker, Ted, doesn't wait for the perfect day to haul cattle. He waits for a good enough one, because experience has taught him the perfect one might never show up.

When Inputs Jump

Inputs might be the quietest "when" of all.

It's not a matter of "if" fertilizer prices spike, feed costs jump, or the cost of parts, repairs, fuel, or interest rates rise. The only question is timing—and it's usually inconvenient.

That's why locking in inputs when margins allow matters, why buying ahead isn't just aggressive, it's defensive, why running lean during good times isn't always wise if it leaves you exposed during bad times.

Cheap inputs don't last. Neither do expensive ones. But the operation that plans for volatility sleeps better than the one that hopes it doesn't show up. Hope is not a strategy. Preparedness is.

When Experience Shows Up

What struck me most about Ted's comment wasn't his age, it was his calm. He didn't say the sticker with bitterness. He said it with acceptance. Farming and trucking and life taught Ted the same lesson: surprises aren't rare events; they're part of the job description.

That kind of wisdom doesn't make you fearless; it makes you realistic. On the farm, resilience isn't built by avoiding risk. It's built by acknowledging it, planning for it, and not being shocked when it finally arrives.

Back to the Chute

The cattle loaded, Ted climbed back into his truck, cow bell and all, and rolled down the road toward the next stop. The sticker disappeared with him, but the message didn't.

On the farm, it's not a matter of if something goes wrong. Not if yields disappoint. Not if prices swing. Not if costs rise. It's a matter of when. And whether we planned for it.

-Sonny Manley, President-Hebron

Our Mission Statement in Action



Hearing the phrase "mission statement" might make you want to roll your eyes at the jargon some companies use. But what if we thought about what it really means to that company? At Bruning Bank, our mission statement "The primary mission of Bruning Bank is to assist clients to build and maintain wealth",

is something we live by every day, and we strive to make that a reality when dealing with our customers differing situations. We truly enjoy seeing our customers become successful and at times helping them through difficult decisions that may be a life altering event, always being mindful of our mission statement. At Bruning Bank, our mission statement is more than just a poster on the wall, it is what guides our decisions in working with our customers and helping them build and maintain wealth.

Here's to hoping 2026 will be your best year ever!

- Todd Clabaugh, President-Kearney

It's Not What You Earn, It's What You Keep



DAVE FROOM, CPFA®
VICE PRESIDENT &
LPL FINANCIAL PLANNER

You know what Benjamin Franklin said, “nothing is certain but death and taxes”. The U.S. Tax Code is about 6,900¹ pages but swells to over 70,000² when you add regulations (IRS interpretations of their own code) and judicial interpretations. Daunting to say the least.

While we, as financial planners, are not IRS tax law experts nor do we do tax filings, we must be aware of how taxes impact our clients. And one way we help our clients is knowing how taxes and IRS regulations affect securities, investment accounts, retirement accounts, insurance and estates. Another way is through collaborating with CPAs and Estate Attorney’s.

For example, typically, when we are working on retirement income plans for clients, we look at Roth conversions to see if they make sense, and if they have Roth IRAs already and non-retirement investments and other income sources we strategize how much and when to pull income from the various investment types to minimize taxes. Unless we’re working with very high net worth or ultra-high net worth clients, we may be able to keep a person below the Social Security Administration’s Income-Related Monthly Adjustment Amount

(IRMAA) that adds a surcharge to Medicare Part B and D.

Often, we may either pull a certain amount from a Roth IRA during the life of the plan or in some cases when the client is more interested in gifting to family, we may position the Roth at the end of the plan, so it passes to heirs’ tax free.

As an example, we may be creating an income plan for a client retiring before age 65 and determining whether to put their Roth IRA at the front or end of their plan. One consideration for early retirees is healthcare insurance, and for individuals obtaining plans through the Affordable Care Act, premiums could be substantially higher based on their income. Positioning their Roth IRA to the front of the plan may help lower their premiums. Each client’s situation is unique, so it’s important to tailor the plan to their specific needs.

Our financial planning software continues to increase sophistication in tax planning and estate planning. We continue to improve our abilities to help our clients. And we continue to work with CPAs and Estate Attorney’s because there is a limit to both our human knowledge and our software capabilities. And truly the collaboration is a part of our work we enjoy. Anytime we work as a team to help our clients we find it is a source of personal satisfaction.

Obviously, we cannot get into too many facts here but a few tax-related rules for 2026³ are:

- 401(k) contribution limits increased in 2026 to \$24,500 with an \$8,000 catch-up for age 50+. New for 2026 is a “Super Catch-Up” of \$11,250 for ages 60-63.
- A key change for 401(k) participants that are high income earners (>\$150k prior year wages) age 50+, that want to make catch-up contributions, must make them as Roth (after-tax) contributions.
- IRA contribution limits increased to \$7,500 under 50 years old and \$8,600 for those 50 and older. SEP IRA limits are still 25% of eligible employee compensation but increased to \$72,000.
- Income tax brackets increased for the 15% and 20% long term capital gains tax.
- HSA contribution limits increased to \$4,400 self-only and \$8,750 families.
- New in OBBBA is the ability for taxpayers that use the standard deduction may deduct up to \$1,000 in qualified charitable donations (\$2,000 jointly). For itemizers you’ll want to talk with your CPA about the new charitable gift rules.
- Many other changes we don’t have room for...

We hope your 2026 is off to a great start and if this is the year you decide to start financial planning, or revisit an old plan, we encourage you to visit with us to see how we might help you and your family potentially save on taxes and keep more of what you make.

¹Thompson Reuters IRS, 2025 Edition.

²IRS, Code of Federal Regulations, Federal Register, Internal Revenue Bulletins, Regulations.gov. [According to the Public Law 117-154(06/23/2022), the U.S. Tax Code is 6,871 pages. When you include the federal tax regulations and the official tax guidance, the number of pages raises to approximately 75,000, irisreading.com]

³LPL Financial “Quick-View Tax Guide 2025-2026”, IRS Notice 2025-67, IR-2025-111, <https://www.employeefiduciary.com/blog/401k-catch-up-contributions>.

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Tribute 2.0 to John Boehler



As you might recall in the last edition (Winter 2025) of this newsletter; Luke Thorell, Holdrege Location President provided a heartfelt editorial of the retirement of John Boehler. After having worked with John over the past 31 years, I felt compelled to acknowledge John’s successful career as well.

I spent the first four years of my banking career in Lincoln, NE with a large-regional family-owned bank. In the spring of 1994, I had the opportunity to move back to my hometown, Holdrege, and work for another Nebraska based family-owned bank. I met and interviewed for a loan officer position, and I can honestly say that if it were not for John, I’m certain I wouldn’t have accepted the position.

Over the next 31 years, which when I think about it equates to over half of my life, I had the opportunity to learn from and be mentored by John. In the summer of 2009, John and I continued

our partnership when we joined the Bruning Bank family and started the Holdrege location. Over the years, Bruning Bank has identified 14 “Attributes of a Banker” which are: Enthusiasm, Courtesy, Cooperation, Accuracy, Initiative, Loyalty, Judgment, Confidentiality, Knowledge, Honesty, Humility, Compassion, Professionalism, and Integrity.

Each one of these attributes certainly describes John. His dedication as a banker for 50 years assisting clients to Build and Maintain Wealth, as well as being a faithful servant to the community, should not be taken lightly.

John has invested in the growth and development of countless individuals (bank employees and clients) over the years, fostering an environment of purpose, integrity, and genuine care. I am grateful for having had the chance to be a part of his journey. We all wish him the very best in his retirement and know he will continue to be impactful to those around him.

Sincerely, a Thankful Colleague!

- Kyle Anderson, Senior Executive Commercial Lender
(NMLS #894656)

Pause. Verify. Protect.



From a young age and still to this day, I have always tried to save as much money as I can. I do this so I can live securely, be prepared for the unexpected, and know I am covered if something goes wrong. I tend to plan for the worst, just in case. As an adult, I see even more clearly how scary the world can be, especially as fraudsters continue to get better and more

sophisticated at scamming people out of their hard-earned money.

As a banker, I see this happen far too often. Thankfully, many times we are alerted before any money leaves the account. Unfortunately, there are also cases where people come to us after the fact, and once the money is gone, there is often very little we can do to recover it. This is why education and awareness are so important. Knowing how to stop fraudsters in their tracks helps protect your financial security.

Scams can look extremely convincing and often create a strong sense of urgency. One common type of scam we see is wire fraud. Wire fraud occurs when someone pretends to be a trusted individual or organization and convinces you to send money through wire transfer. These requests may come through email, text message, or phone call, and they can appear very legitimate.

Once a wire transfer is sent, the money is often very difficult—if not impossible—to recover. That is why stopping fraud before it happens is so critical. These scams usually begin with the fraudster reaching out and trying to gain your trust. They

are highly skilled, persuasive, and trained to sound believable. Often, they pose as your bank, employer, real estate agent, attorney, title company, government agency, or a company you regularly do business with.

Fraudsters commonly use phrases like, “This needs to be done right away,” or “Please don’t discuss this with anyone else.” That sense of urgency and secrecy is always a major red flag. If you are rushed or pressured, if payment instructions suddenly change, or if you are asked for online banking login information or other sensitive details, it is very likely a scam. At that point, you should stop communicating with the individual immediately.

If anything ever feels off, please do not hesitate to reach out to us using a phone number you already have or one listed on the Bruning Bank website or simply stop in. We are trained to spot fraud and are always willing to help you slow down, pause, and think through the situation.

As a bank, we will never contact you to ask for your online banking password, your full Social Security number, or tell you to wire your money somewhere to “protect it.” If you receive a phone call requesting any of this information, hang up and call us back using a trusted number.

If you are ever concerned or believe you may have already fallen victim to fraud, please reach out right away. We will never judge. We understand that fraudsters are extremely good at what they do and are constantly evolving their tactics to trick people.

If something doesn’t feel right, trust yourself. Protect your future and reach out to us.

- Hailey Dixon, Relationship Manager

GRAND ISLAND OPEN HOUSE



Join us for our week of celebration!

March 2nd

Eileens Cookies

All Day

Kick off our week of celebration with cookies and conversation!

March 3rd

Baristas Coffee & Donuts

8:30 AM - 10:30 AM

Breakfast is on us here at the bank! Come and enjoy!

March 4th

Coin Guess Challenge

Guess how much change is in the coin jar. Winner will get a \$50.00 gift card.

Everyone is welcome to play!

March 5th

Business After Hours

4:30 PM - 6:30 PM

Chamber Ribbon Cutting

5:15 PM

Appetizers and Drinks provided

March 6th

Social Media Day

Tag Bruning Bank in your selfie on Facebook and be entered to win a \$50.00 gift card.

Everyone is welcome to enter!

All Week

Open a new account and get entered to win a new Skylight Calendar.

Everyone is welcome to enter!

601 North Webb Road, Grand Island, NE 68803 We look forward to celebrating with you!

Member FDIC

Bank News

Bruning Bank Announces Leadership Transition and Future Plans



Bruning Bank, a family- and employee-owned community bank dedicated to helping customers and communities build, grow, and thrive, has announced an upcoming leadership transition as part of its long-term strategic planning.

Jerry Catlett, President and Chief Operating Officer, has announced his intention to retire before the end of 2026. Jerry has been a part of Bruning Bank for more than 30 years and has been instrumental in guiding Bruning Bank's continued growth and success, fostering a strong culture centered on customer care, employee engagement, and community partnership.

In preparation for this transition, Ken Mehlin (Chief Credit Officer) has been selected to succeed Jerry as President and Chief Operating Officer following his retirement. Over the coming months, Ken will work closely with Jerry to ensure a smooth and seamless transfer of responsibilities.

"Our strength has always come from our people — the employees who make this bank what it is, the customers who trust us, and the communities we proudly serve," said Fred D. Bruning, Chief Executive Officer of Bruning Bank. "As Ken and Jerry work together through this transition, we're confident that our culture of care, integrity, and family will continue to guide everything we do."

Bruning Bank remains committed to its mission of helping customers build and maintain wealth, empowering employees to grow and succeed, and supporting the communities it serves.

Bruning Bank is a fifth generational family-owned bank and has been known for its strength and stability due to the combination of sound decision-making and dedicated customer service. They strive to be the trusted financial partner in their communities, to assist customers to Build and Maintain Wealth. Bruning stated, "By building strong relationships with customers based on trust and integrity, we are looking to continue to provide excellent service in Bruning, Hebron, Broken Bow, Holdrege, Kearney, and Grand Island communities and surrounding areas."

New Products

Online Chat Assistance

If you are in need of assistance or have a question, you can now chat with a trusted team member during business hours: Monday - Friday 8:30 AM - 4:30 PM.

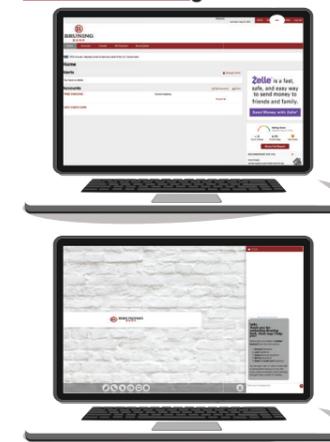
Simply log into your Mobile or Online Banking account and click the Chat button. You will then be able to ask your question(s) and get help right away.

Don't have Online or Mobile Banking? Call or visit and get signed up today!

Mobile Banking App



Online Banking



Security Spotlight

AI Impersonation Scams

Scammers are using AI to mimic the voices of loved ones, coworkers, and even bank employees. If a call, text, or email creates urgency and asks for money, stop and verify through a trusted number before acting. When in doubt- pause and call your local Bruning Bank.



BRUNING
BANK

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Bruning, Nebraska 68322
Address Service Requested

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Mark Your Calendar

MARCH:

- **2-6** - Grand Island Open House (see insert for more information)
- **8** - Daylight Savings Time Begins - Spring Forward
- **16** - Multi-Peril Crop Insurance Sale Closing Date
- **24** - National Ag Day

APRIL:

- **15** - National Tax Day
- **27** - National Teach Children to Save Day

MAY:

- **4-8** - Teacher Appreciation Week
- **6-12** - Nurses Appreciation Week
- **8** - Mother's Day Flowers- Available in the lobby or drive-up at all locations.
- **10** - Mother's Day
- **25** - CLOSED in observance of Memorial Day

