



OUR NEIGHBOR CONNECTION NEWSLETTER

Choose A Bank That's Conservative, Courageous, and Consistent



*Jason Winter
President*

A few years ago, I attended a conference where the keynote speaker discussed what he called, "The 3 C's of Ag Lending". He said a bank should be conservative in the good times, courageous in the tough times, and consistent all the time. The more notes I took, the more I realized he was explaining exactly how we do things at Citizens.

Conservative in the Good Times

We're fortunate at Citizens to have a strong customer base of well-qualified borrowers. While there are instances where we have to say no to potential customers due to credit quality, we also sometimes have to say no to some really strong business customers. Thankfully, most of those no's are what we call a "good no." For instance, when times are good for a business and the money is rolling in, it's easy to think it'll be like that forever. Some businesses will inevitably start looking at new ways to grow by moving into an area they're not familiar with. While it's not necessarily a bad thing, jumping into a new venture does pose some significant risk. What we can offer is to review that opportunity from a different perspective.

While a new venture may look like a great deal to the business owner, we have experiences where our analysis has indicated the profitability to be substantially different. For some, revenue was overstated, and we simply helped break down the steps to properly estimate their expected revenue. For others, our second set of eyes helped uncover expenses that weren't thought about. In both instances the business owner leaves the bank without a loan, but is thankful we said no. We can't claim to be experts in every type of business, but there's a good chance we've reviewed financials for something similar and can help provide some clarity.

Courageous in the Tough Times

Owning a retail business during the height of Covid was tough. In the years leading up to Covid, farmers had their worst years since the 1980s when they had to deal with low prices due to international trade wars and spring flooding. The financial crisis from 2008-2011 was hard on everyone. A banker has courage when, unlike the big banks, we are not showing our customers the door at the first sign of stress. In order to work with a customer through those tough times, we need more than just a strong understanding of a business' financials. Our goal is to get to know the business owners and possibly even their families and other business relationships that could impact the bottom line. Because of the close relationships we have with our customers, they expect us to speak frankly in our assessment of their business and they know we are always looking outside the box for potential ways we can help.

Consistent All the Time

We're going to operate the same no matter what stage of the economic cycle we're in. We're going to treat you the same whether you're in the bank for a \$1 million loan, a \$10,000 loan, or no loan at all.

We understand that people are comfortable when they know what to expect. What you can expect from Citizens is you'll never receive a hard sales pitch from our bankers. You can expect us to work with you through successes and failures. You can expect us to develop a solid understanding of your business, then tailor solutions to meet your needs.

For any small business, from a family run farm to a manufacturing company, one of their most important teammates is their banker. The bank that is chosen can have a significant impact, both good and bad, on the financial outcomes of not only the business, but the livelihood of the families behind it. Choose a bank that's Conservative, Courageous, and Consistent. Choose Citizens State Bank.

Person to person. Neighbor to neighbor. Yesterday, today and tomorrow.

www.CitizensStateBankNYA.com

NMLS #629780

Small Businesses



*Matt Brakefield
Investment Representative*

Happy New Year! It's a presidential election year, there seems to be a fed policy change and we are coming off an extreme Santa Claus rally. Buckle up it is going to be a wild one!

One of my favorite things about this career is when I get to work with the many successful small businesses in our community. Each one of these businesses has

their own story and needs. Most were started with an idea by an individual and all have required a ton of hard work over decades. Often times these folks have their heads down and just keep grinding they may have a tax guy and a banker but usually that's about it.

The advantages to adding me to your small business team can be great. A lot of what I do is value add stuff that is not billed such as; putting together the best deferral plans with your tax pro, helping with lazy cash in the business and planning for your future.

Whether you are in medicine, construction, accounting, farming, real estate, services, sales or any other small business I encourage you to take a few minutes to see what I can do for you both now and in the future. I will respect your time and seek to add value to your current team! Call the office today to set an appointment 952-467-3276.



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In the news



Santa comes to Citizens State Bank

Santa Claus came to Citizens State Bank on Saturday, November 25 where he visited and took photos with local children and bank staff.

Bank staff

Bank staff has been busy with continuing education and professional development.

Right: Bank president Jason Winter, a member of BankIn Minnesota Convention Committee, took time out when at meetings to visit Bentleyville in Duluth along with colleagues during a site visit.



Toy Drive

Citizens State Bank once again partnered with local fire departments (Cologne, Hamburg, & NYA) for the annual toy drive.

Pictured, Michelle Strobel and Dan Traxler display just a few of the donations. Thanks to all who donated!

Turkey Donation

Bruce Mathwig (left) and Tony Bentz (right) of Citizens State Bank presented Linda Worm of the NYA Food Shelf with the bank's annual turkey donation on Nov. 14.



Banking From Anywhere

In recent years, mobile banking has transformed the way individuals and businesses manage their finances. The rise of smartphones and ease of internet connectivity has paved the way for an easy and efficient banking experience.

Utilizing mobile banking at Citizens State Bank will give you secure 24/7 availability for transactions to manage your accounts. Mobile banking options such as bill pay, transferring funds, mobile deposit among others will serve you with convenience and flexibility to manage and monitor your accounts.

Please feel free to speak with the staff here at Citizens State Bank with any mobile banking questions.

Have You Experienced a Recent Layoff or Job Change?

If you experienced employment separation, you will receive information relative to your 401K Plan.

We can walk you through the options that are available for your funds and assist you in selecting the option that best suits your needs. A direct rollover can be set up in no time and keep your funds tax deferred. We can do this without paying taxes and penalties or having withholding taken from your funds.

Features of an IRA with Citizens State Bank:

- FDIC Insured
- Guaranteed interest rate
- Balance is safe and will not decrease when the market falls

Taking care of your financial needs (big or small) is important to us! Stop in or contact Lynne Lundquist and Kelli Stuewe.



Who's New at Citizens State Bank



Kelli Stuewe
Customer Relations Specialist

Kelli Stuewe joined Citizens State Bank on December 11 as a Customer Relations Specialist.

She will assist in the administration and maintenance of personnel functions, open retirement and health savings accounts, help handle the bank's accounts payable and many other daily duties.

Kelli worked for Carver County for the past nine years. Previously she was a teacher at Central Schools before she and her family moved to Utah in 2007-2010.

In her spare time, she enjoys gardening, bird watching, reading, and watching Iowa State football and basketball games.

Kelli and her husband Dean have one son, Evan, and reside in Carver.

News for Health Savings Accounts

2023 Tax Year Annual Contribution Limits

- Individual Maximum Contribution is \$3,850
- Family Maximum Contribution is \$7,750

2024 Tax Year Annual Contribution Limits

- Individual Maximum Contribution is \$4,150
- Family Maximum Contribution is \$8,300

Catch Up Contributions (55 years and older)

- Additional \$1,000

Why Choose Citizens for an Ag Loan?



Dan Traxler
Senior Vice President

On a chilly winter night just before bed, a farmer walked to his machine shed and plugged in his block heater on his old farm truck. A few hours later he woke up, looked out his window, and saw his shed completely engulfed in flames. Little did he know, that was just the beginning of his disaster.

After countless phone calls and meetings with the insurance company and months of waiting, it was determined that the block heater was responsible for the fire, and due to a technicality in the

paperwork, the insurance company was not going to cover the loss of the shed or the equipment inside it.

The farmer, distressed and broken, turned to his banker to help finance the equipment he needed to replace in order to continue his operation. Unfortunately, the same day he told his banker about the insurance situation, the farmer was shown the door.

Thankfully, one of his neighbors was our customer and referred him over to us. We worked through the financial statements with the farmer, helped update his income projections, and qualified him for financing all in a matter of a few days.

While the above is an extreme case, every farming operation has good years and bad years and it all hinges on forces outside of their control. We understand this and will work with you, not against you. Come check us out.

Building banking relationships



Having a strong relationship with Citizens State Bank has benefited us over the last 15 years.

Abel Heating and Cooling is proud to service western Hennepin and Carver counties for 80 years. We help homeowners and businesses keep their places comfortable no matter the temperature swings of Minnesota's climate.

Abel was hired for the installation of the heating and cooling system when the addition was built at Citizens in 2008. We have serviced their needs ever since.

During that time, we were impressed by the staff of Citizens State Bank and it was an easy choice to switch to them. Since moving our accounts, Jason Winter and the Citizens staff have always been helpful and expedient when it comes to assistance, whether it is a line of credit, loan, or an employee's Health Savings Account.

We appreciate all the service Citizens does for us here at Abel Heating and Cooling. We think you'll like them too.

-Abel Heating and Cooling



Member FDIC

NMLS #629780

952-467-3000

409 Faxon Road, Norwood Young America
www.CitizensStateBankNYA.com



We want to be your bank!

If you are looking for a new bank, we would love to show you our easy approach to banking.

We are dedicated to providing a great customer experience and products that are easy to understand with no hoops to jump through.

Stop by and speak with Michelle or Yeli today to see the difference!



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