

Citizens State Bank

Arlington      Castlewood      Sinai

Winter 2025 Newsletter

[www.csbarlington.com](http://www.csbarlington.com)

Member FDIC

### **CSB in the Community**

Arlington staff members welcomed Middle and High School carolers.

Loan Officer Braeton Hill participated in the Light the Night Parade in Lake Preston.

The annual Sinai Fire Department auction saw 950 items sold, netting \$15,000 for the Department.

21 Christmas gifts were collected at the Castlewood Branch as part of Interlake Community Action Partnership's gift program.

### **What in the world was going on in 1982?**

- A new British Prince is born (William).
- In what is known as "[Cold Sunday](#)", several cities in the United States see temperatures fall to their lowest levels in 100 years.
- Snow covers 75% of North America.
- A syzygy occurs: All 9 planets align on the same side of the sun.
- Steve Jobs launches the Macintosh personal computer.
- Chrysler introduces the first vehicles officially called "minivans."
- The first successful heart transplant is performed by Dr. Michael E. DeBakey, in the United States.
- Colin Wilson rides a surfboard for 294 miles.
- *E.T. the Extra-Terrestrial* is released.
- The Vietnam Veterans Memorial opens in Washington,

### **42 Years And Counting!**

And, perhaps most important, **Rita Liljegren** began her career at Citizens State Bank. Robert Gunderson, then President of the Bank, along with Vice President, Frank Felix, recruited her from Northwestern National Bank in Lake Preston. She has worked here ever since. In addition to Bob Gunderson, Rita worked with Presidents Wayne Fischer, Roger Peterson, Bob Rutten, and Todd Berndt. Rita played an instrumental role in the Bank's branching into Castlewood, and our merger with the First State Bank of Sinai. Over the years, Rita experienced a vast amount of technological transformation and regulatory change. Why do we mention this? **Because in January, Rita will shift to part-time work here at the bank.** Though her desk will change, you can be sure her attention to your banking needs will not. We are grateful for her 42(!) years of service and look forward to many more.

## **The Cost of Check Fraud**

While the **use of checks has declined by 25%**, reports of check fraud have nearly doubled since **2021**. With criminals becoming more sophisticated, it's crucial to stay vigilant and protect your financial information.

**Use our bank's digital payment option whenever possible.**

**If checks are your only option, follow these tips:**

Protect yourself by using permanent ink when you write a check.

Ensure your check leaves no room for criminal alterations by filling out each line completely.

Don't add personal info like your Social Security number, driver's license details or phone number to your checks.

Regularly log on to your online account to quickly identify anything out of the ordinary.

Analyze your paid checks to ensure the amount is correct and the endorsement reflects the intended payee to guard against unauthorized deposits.

## **Liquidity, Working Capital, Current Ratio? What's it all mean?**

What are the numbers and terms used by the financial industry to assess farm performance? To start, let's focus on liquidity. Liquidity measures the ability to meet current cashflow needs. Working capital (current assets minus current liabilities) is one of two pertinent measures of liquidity, measured in dollars. The other important measure of liquidity is the current ratio (current assets divided by current liabilities). Current assets are bank accounts, crop inventories, prepaids, stock and hedging accounts, and other "current" items. Current liabilities include accounts payable, operating loans, accrued interest, and current portion due of intermediate and long-term loans. Current ratio means if the business had to, it could liquidate current assets and pay off current liabilities. A ratio of 1.0 says there is exactly enough current assets to cover current liabilities, where a ratio of 1.5 says the business has 1.5 times enough to cover, a ratio of .8 means you can only cover 80% of current liabilities.

Both measures certainly have a place in measuring and evaluating liquidity. During volatile times in agriculture due to changes in crop prices and expenses, working capital — "cash" — is your friend. Working capital is needed to help grow the farm, but also to help weather the unknowns. Working capital is calculated by subtracting current liabilities from current assets.

How much working capital do I need? That answer depends on your farming plans. When a farm/business has working capital, it can adjust to adversities such as drought, lower prices,

rising interest rates, and inputs. In addition, you can save for future improvements like down payments for capital purchases such as land, tiling, machinery or even a new home.

The key is to monitor your working capital over time and, if you want to benchmark, make sure you are comparing yourself to your peers. A reputable free source of information is FINBIN. A farm should measure its working capital at the same time each year. Financial ratios, especially working capital, can drastically change throughout the year due to timing of commodity sales and expense payment.

The next couple of years are forecast to be lower income years, so careful management of working capital and other financial information is needed. In general, the things that impact working capital are: farm/business profitability, family living expenses, state/federal income tax liabilities, and debt service.

What adds to and what subtracts from working capital? Attractive commodity prices tend to lead to good profitability and an increase in working capital. With the current volatile/down markets, it can be tough to add dollars to the bottom line. So, a farm owner might focus on limiting expenses that reduce working capital in an effort to slow its decline.

A couple of guidelines:

1. Can there be a pull-back in family living expenses? Good economic times give us the ability to spend more freely. Downturns call for a review of spending.
2. Schedule a tax planning appointment with your advisor to assess federal income tax liabilities for 2024 and beyond with the goal of becoming income tax efficient over time. In general, financial wisdom counsels strategic planning to reduce the amount of federal income tax paid.

Whether you plan to grow, diversify, or improve your farming operation, we understand your need for dependable financial services geared to agricultural producers. Our team of experienced agricultural banking specialists can provide a complete range of financial products and services.

CSB is committed to the success of your operation.

### **Slow Cooker Beef Ribs**

A quick and easy way to use beef short ribs in the winter. This makes the house smell wonderful all day, driving everyone crazy with hunger. It's a favorite of mine!

#### **Ingredients**

•• 4 pounds beef short ribs (about 8 short ribs, boneless or bone-in)

•• 1 teaspoon salt

- 1 teaspoon black pepper
- 3 cups beef broth
- 1/4 cup Worcestershire sauce
- 1 teaspoon garlic powder
- 1 teaspoon onion powder
- 1 sprig fresh rosemary (optional)

### **Instructions**

- 1) Season the short ribs with salt and pepper. Heat a large skillet over high heat. Sear the short ribs on each of the 4 sides for about 60 seconds per side.
- 2) Pour the beef broth, Worcestershire sauce, garlic powder, and onion powder into a slow cooker and stir together. Place the short ribs into the liquid in the slow cooker.
- 3) Place rosemary sprig on top of meat (optional) and cover. Cook on low for 6-8 hours, until meat is tender.

### **Side Dishes**

Mashed potatoes. Use the left-over broth as the base for gravy. Vegetable of choice. I like corn or beans.

Submitted by Braeton Hill, Ag Loan Officer

### **???? Have you tried our Mobile Deposit Yet ????**

#### **To successfully complete your mobile deposit, you must:**

- Endorse the back of the check, preferably with a gel ink pen to reduce fraud.
- Either check the box for mobile deposit (if one is printed on the check) or write “For mobile deposit only” beneath your endorsement signature.
- Include “CSB” to identify where the check was deposited.
- Keep the check secured for 45 Days and then destroy it.
- Treasury checks are not accepted.

Save time and don't miss a step with our easy-to-use online applications!

Apply for personal and mortgage loans through our website [www.csbarlington.com](http://www.csbarlington.com) Look under the Personal Tab.

It's TAX time, again. If you need help gathering your financial documents, give us a call or stop in. If you are looking for a tax deduction, consider opening an IRA with us.