

ROSE HILL BANK

the hungry little bank

A neighbor. A banker. A friend.

Spring 2011



A message from Rocky

Rose Hill Bank Customer,

There's an old saying that "nothing is certain but uncertainty." And while fortune tellers usually fare pretty poorly over the long term, the uncertainty in our economy right now would suggest that we'd be wise to reexamine some of our priorities -- not just as a nation, but also as individuals and families.

If you've read some of my previous letters, you know I've been critical of our government's inability to control spending and make the hard choices necessary to resolve the debt crises we face. The nature of my frustration is not political. It's fiscal. The simple fact is we can't keep going down the road we're on.

As a banker, I've too often seen what happens when people don't use common sense in managing their finances -- when they don't balance their "wants" with their "needs." When they go along spending money they don't have. When they continue to borrow far beyond their ability to repay. That's where we are as a nation right now. (See chart on reverse side of this newsletter). Do the math -- it just does not compute. And frankly, that's frightening.

But to me what's just as frightening is that I see this same thing happening here at home with some of our customers and their families. As consumers living in the richest country on earth, we routinely want more. Our "wants" rather than our "needs" are often driven by fashion and style instead of utility. We buy new furniture, or a new TV, or a new car, not because what we have is worn out, but simply because it's not the latest style. That's fine -- IF we can afford it. But too many can't.

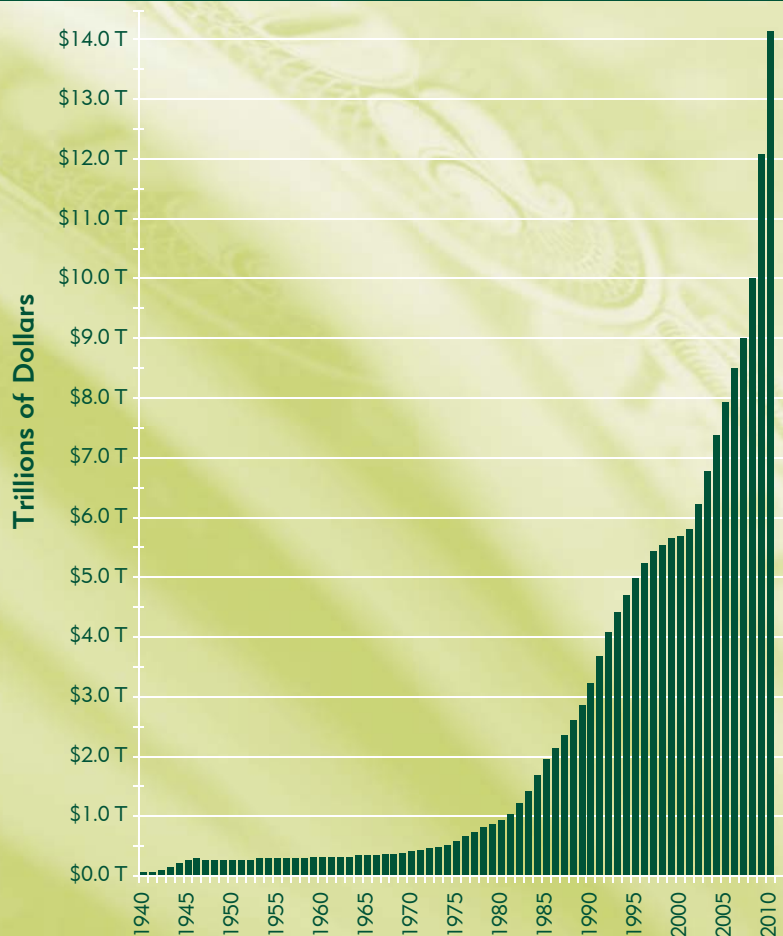
Don't get me wrong. A large segment of our economy is driven by consumer purchases, and our retail and service sectors need a healthy dose of spending to keep all the wheels turning. But at the present time we have unusually high unemployment, insecurity in the job market, and a national debt of historic proportions. To me these indicate that we're going through an unusual time, that things aren't "normal," and that maybe we'd be wise to put off some of our "wants" for the time being, just in case we encounter some unforeseen "needs."

Maybe, instead of spending that bonus or tax refund or pay raise, it would be wise to set it aside in an emergency fund. The "certain uncertainty" is that a rainy day will come, sooner or later.

Rocky Waitt

P.S. I notice in the news that our leaders are proposing to run the country on a deficit budget. I hope they can re-evaluate their needs and put their wants on hold.

National Debt from 1940 to Present



With the US population estimated at 310,260,000, each American man, woman and child's share of our national debt is now over \$46,000!

Source: U.S. National Debt Clock www.brillig.com/debt_clock/

What's the score with Credit Scores?

We see a lot of advertising for companies selling credit scores. Credit scores are numbers lenders use to gauge your financial reliability – how good a credit risk you are. They're based on your credit reports which, for the most part, reflect your history of paying debts and other bills. Because your credit score can determine whether or not a loan is approved and what rate and terms you get, it's important to know your scores and to make sure the information in each of your credit reports is accurate and up-to-date. Since the three major credit bureaus may rely on different sources of information, mistakes do happen. A credit report may list debts you no longer owe or credit cards you cancelled long ago. And those can affect your credit score.

But you don't have to pay to get that information. Federal law permits you to obtain a FREE copy of your credit report once a year from each of the three major credit bureaus.

Equifax:

www.equifax.com (800) 685-1111

Experian:

www.experian.com (888) 397-3742

TransUnion:

www.transunion.com (800) 888-4213

It's especially important to review your credit reports before applying for a loan or making a major purchase. To correct any errors, you should contact the credit bureau, in writing, identifying each item that you dispute and requesting a correction. You should also contact the company that provided the information and request a correction of their records, too. Send your letters by certified mail. If your requests do not resolve the matter, the law allows you to submit a brief statement that becomes part of your credit report. Remember, credit reports can determine whether or not your loan is approved. So if it's been a year or more since you reviewed your credit reports, you can obtain copies of yours now, FREE.

Our Online Bill Pay Just Got Better with Zash Pay!

If you're one of the growing number of Rose Hill Bank customers using our online bill pay service, we've got great news: Now you can make person-to-person payments as quickly, easily and securely as any other online payment – right from our online Bill Pay using the new Zash Pay link. All you need is the other person's email address or mobile phone number. Paying the baby sitter? Sending money to kids away at school? Contributing to a local charity or school group? Now through our link to the "Zash Pay" network, it's all just as easy as any other bill you pay online. To learn more, talk to a Rose Hill Bank representative or visit our website at www.RoseHillBank.com and click on "Zash Pay."

Your bank is in great shape!

Four times a year the Wichita Business Journal publishes a chart listing local bank performance. If you happened to see its latest report in the March 4, 2011 issue, you saw that Rose Hill Bank finished 2010 with a solid performance. As one of the top 10 Metro banks* in total asset size, your bank ranked among the top three in percentage of return on assets, and seventh among all 57 banks doing business in our area. What's more we were among the bottom 10 in our non-current loan ratio, which measures problem loans compared to total loans. Translation? Your bank is among the most financially sound financial institutions around.

*Metro banks include the 35 banks and thrifts headquartered in the Wichita Metro area