



## *A message from Rocky*

Rose Hill Bank Customer,

If you were to judge by the news you read or see on TV, you'd think that bankers – or worse, anyone doing business with a bank -- would be shaking in their boots right now. The whole financial industry seems in chaos. The government reported 140 bank failures in the U.S. last year. And this year the number looks like it could go even higher. These weren't just small banks or limited to a few states. They included banks all over the country, and in some cases represented billions of dollars in assets. So what does this mean to you and other Rose Hill Bank customers? As a family who has deposited their hard-earned money with us for safekeeping, should you be nervous? As a consumer or business with a loan here, should you worry your loan might be called unexpectedly? As an individual whose retirement may depend on us, is there cause for concern? With absolute confidence I can assure you the answer to all of these is "No." Rose Hill Bank customers have nothing to worry about. For several reasons.

First, as an institution covered by the Federal Deposit Insurance Corporation (FDIC), our deposits are guaranteed safe to the maximum allowed by law. If you've been reading this newsletter, you know the FDIC recently raised that maximum to \$250,000 per depositor. But in fact, depending on how you structure your accounts, you can insure your deposits here for considerably more. The stories about bank failures usually don't mention the fact that FDIC-insured depositors didn't lose a penny.

But there's an even more important reason Rose Hill Bank customers can rest easy. Unlike the majority of institutions forced to close, Rose Hill Bank never has and never will (and I want to emphasize NEVER) make the kind of risky investments or questionable loans that created these problems in the first place. Last year, our bank had less than a handful of real estate loans foreclosed.

In the 100+ year history of this bank, management here has consistently chosen "security" over a "quick buck." And one of the principal reasons why is that we've never lost sight of where our responsibilities lie. If you look at the banks that have failed, you'll see many of them essentially abandoned their basic values and existing customers to seek profits in places or in businesses where they had no business. They ventured into unfamiliar markets where they had no expertise, no history, no customer loyalties. In other words, these banks operated in a manner totally contrary to our philosophy of "a neighbor, a banker, a friend."

At Rose Hill Bank, our responsibilities and loyalties will always be to you, our customers. Our neighbors and friends. It's the way we've done business since 1906. It may not be flashy, it may not set records, it may not get us on the news. And we think that's precisely why our customers do business here.

Rocky Waitt



## Stay a step ahead of potential overdrafts



When money's tight, it's not uncommon for even the most conscientious checking customer to accidentally overdraw their account. So we've made it easier than ever to stay informed on the status of your accounts and avoid potential overdrafts. With online banking at [RoseHillBank.com](http://RoseHillBank.com), now not only can you view up-to-the-minute balances for each

of your accounts, you can also get a "heads up" on checks scheduled to clear before the end of the day that might overdraw your account. With the ability to instantly transfer money between your accounts, our online banking can help you avoid embarrassing and costly overdrafts. If you aren't already using our online banking, sign up today and take control of your finances!

## Did you know?

Between December 2007 and December 2009, America's private sector lost more than 7.3 million jobs. During that same period the number of government jobs increased by approximately 100,000.\*

In 2009, Kansas paid out more than \$766 million in regular unemployment benefits, nearly \$344 million in federal Emergency Unemployment Compensation (EUC) benefits, and almost \$18 million in State Extended Benefits.\*\*

Unemployment benefits are paid from the Unemployment Insurance Trust Fund which is supported by taxes on employers and individuals who are self-employed.\*\*

Kansas' Unemployment Insurance Trust Fund started 2009 with a balance of \$566 million -- the 19th healthiest trust fund in the nation.\*\* In 2009, Kansas along with over 30 other states borrowed from the Federal Unemployment Account (FUA) to continue paying benefits. As of May 19, 2010, the balance of Kansas' outstanding loans to the FUA was \$88,159,421.40.\*

In December 2009, private industry employers in the U.S. spent an average of \$27.42 per hour worked for total employee compensation. This included \$19.41 in wages and salaries, and \$8.00 in benefits.\*

In December 2009, total compensation costs for state and local government workers in the U.S. averaged \$39.60 per hour worked, which included \$13.50 in benefits.\*

In 1913 when the U.S. implemented the income tax, the federal tax code amounted to approximately 400 pages. Today the U.S. federal tax code is approximately 70,000 pages long.<sup>Δ</sup>

Figures from 2009 show the top 50% of American income earners pay 97.11% of all income taxes, the top 5% pay 60.63%, and the top 1% pay 40.42%.\*\*\*

Like citizens, corporations and privately owned businesses (including banks) pay income tax based on the amount of income they make. Federal corporate tax rates currently range from 15% to 35%.†

Congress exempts credit unions from federal income taxes. The exemption was established in 1937. A study published in 2005 projected the cost of this exemption to the federal treasury in terms of uncollected revenue at more than \$31 billion over a ten year period.††

Approximately 47% of Americans paid no federal income taxes at all for 2009.†

The U.S. Government's fiscal year runs from Oct. 1 to Sept 30. As of Sept 30, 2008, our national debt was \$10,024,724,896,912.49 (i.e., over \$10 trillion). As of Sept 30, 2009, it was \$11,909,829,003,511.75 (nearly \$12 trillion).<sup>ΔΔ</sup>

The national debt is currently increasing at rate of more than \$2 million per minute. So while an exact figure is difficult to obtain, our national debt currently stands at well over \$13,000,000,000,000 (\$13 trillion). That represents over \$42,000 for every man, woman and child in the U.S., and over \$118,000 for every taxpayer.<sup>ΔΔ</sup>

## Sources

\* U.S. Dept. of Labor

\*\* Kansas Dept. of Labor

\*\*\* Internal Revenue Service

† Tax Policy Center, Washington, D.C.

†† The Tax Foundation

Δ U.S. News and World Report

ΔΔ U.S. Department of the Treasury