



It feels great to have 2020 in our rear view mirror and be cruising through the first quarter of 2021. There are similarities, however, changes have taken place as well. Individuals are getting the COVID

vaccine, the Governor has lifted most restrictions, and annual operating renewals are wrapping up so farmers can get ready for the upcoming planting season. Current financial circumstances appear to be stable to above average for many of our customers. With the challenges you have faced in the last 12 months, maintaining or improving your financial position was a remarkable accomplishment. This speaks highly of your ability to weather situations out of your control. Some would say 2020 was the perfect storm for potential financial ruin, which makes it even more rewarding to see how producers were able to preserve or even grow their liquidity. Additionally, we were able to assist our customers by finding and applying for government programs.

Harvest season brought its own challenges. In some areas, it was not an easy task due to the drought and storm damage. However, we saw an event that normally takes place less than three years out of a 10-year cycle – a harvest rally. When doing your annual renewal, you could see how this rally continued post-harvest and the impact it had on your financial statement. As commodity prices increase, please remember to stick to your marketing plan and not let your emotions take over. If you're a baseball fan, you know that base hits win the game. Going to the plate to hit the homerun might also cause you to strike out. Your operation will benefit from using a "true hedge" position, not a speculation. With the gain in the commodity prices, past historical trends indicate that you may see an increase in costs for inputs and fuel prices. Hopefully,

a favorable balance in price levels will provide some benefits.

Land values appear to be stabilizing. Over the past year, some land sale prices brought flashbacks to 2012-2014. The increased values were driven by normal supply and demand of commodity prices, individuals wanting to grow their operation, and those preparing to help the next generation as part of succession planning. Some land purchases were made by individuals who wanted to get out of the stock market and purchase tangible assets.

As 2021 continues moving forward, we could see additional energy and environmental tax credits. If you are interested in investing in solar panels for your farmstead, hog or turkey barns, talk to your lender about financing options that can be tailored to your specific needs. Along with certain tax credits, more grants or special loan programs may be available to farm and small business owners.

Be alert for potential fraud scenarios. Even in rural Iowa, there are dishonest people finding ways to take advantage of you – be aware and keep your financial information safe. **Protect your financial identity as if you were protecting your children.** If you are uncertain about a situation, please contact your local UBI office for assistance. We are always here to help and protect you.

Some of the best relationships in life were built during challenging times. Thank you for your patience and support over the past year during times of limited hours and staffing. We look forward to growing our relationships with you as we regain our sense of normalcy.

Have a safe and successful planting season. Before you know it, we'll see some of you at the county fairs this summer. From all of us at United Bank of Iowa, thank you for your business and continue to stay safe.

Jim Friel  
V.P. Regional Branch Manager, Carroll



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## We Want Your Photos!

Did you know that most of the photos we use in this newsletter, on our website, and in our Facebook posts were taken by our customers right here in west central Iowa?

If you have photos of landscapes, changing seasons, farming, or life in rural Iowa that you would like to share, submit them on our website, [www.unitedbk.bank](http://www.unitedbk.bank).

