



A few weeks ago I overheard a young parent going through the wonderful stage of life known as the “whys”. This parent had a child somewhere between the ages of two and three. As many of you know, this stage of life is one of the most memorable stages. We, as adults, are always on our toes waiting to be asked multiple questions in a quick sequence. The first question usually starts with a “what” and then it is followed up with four or five “why” questions. These young minds are at such an inquisitive stage in life trying to figure out their surroundings. Some people think these young individuals are little bankers in the making.

At times our profession causes us to ask customers many serious questions which could remind people of the early stage of childhood development described above. Over the years I have learned there are two main reasons why bankers ask questions.

1. The first reason is due to the nature of our business. We are in an industry highly regulated by state and federal laws. These laws, put in place to protect all individuals of the general public, can change often, in some cases, every six months. Many of the current laws mandate that we complete due diligence by asking certain questions to ensure customers are in the right products, understand the products, and most importantly, they are not falling victim to fraud. I know at times these questions can be a little unexpected as many of us remember the good old days of banking 20 and 30 years ago. However times have changed and protecting individuals is of high importance for our governing agencies.

2. The second reason is the most important and the simplest way to say it is, “we care”. When an individual comes in for their annual financing renewal, we go over the past year’s performance and begin to project the upcoming year’s cash flow potential. For us to provide a high quality of service, we need to

ask some specific questions. Without asking detailed questions, numbers can be misinterpreted and areas of potential growth or areas of concern could be overlooked. All of the lenders at UBI want to see their customers grow and succeed. It is a sense of pride knowing that we provide expertise and service to help your operation and your family.

Sometimes being asked questions can make us feel like those early years of parenting but, in the end, it’s nice knowing everyone is looking out for each other. As you go into your annual renewal this year, please take a minute to evaluate your operation and ask yourself a series of questions, for example:

- What caused the change in my working capital position?
- Did I have any out of the ordinary expenses or sources of income this year?
- What is my true cost for crop or livestock inputs?

Think of questions to ask your lender during the renewal season. Your lender is a valuable resource to your operation and is always looking for ways to help you. If something doesn’t make complete sense, please ask your lender to go over it again, or give examples, so you feel comfortable with the results.

I have learned early on in banking our success will come from your success. Our relationship with the customers is a partnership and we are committed to preserving and protecting our relationships. On behalf of the lenders at United Bank of Iowa, we look forward to helping you this upcoming renewal season and, on behalf of ALL the staff at United Bank of Iowa, we wish you a blessed and happy holiday season. Thank you for allowing us to be your bank.

Jim Friel
V.P. Regional Branch Manager
Carroll Office



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