

OSB

OOSTBURG STATE BANK

**Modern Banking...
the Old Fashioned Way**

Update

Member FDIC 

Locally Owned and Operated Since 1908

Fall 2012

President's Message



(L-R) Terry Katsma, President, Tom Leibham, Vice President-Lending

To give you an opportunity to know the personnel at OSB better, we have in the past used the space normally afforded the President's Message to feature our employees. In this space I am pleased to introduce Tom Leibham, Vice President-Lending.

Position: Vice President – Lending: Responsible for the origination, monitoring and collecting of consumer and mortgage loans

Education: University of Wisconsin-Milwaukee, Bachelor of Business Administration degree with an emphasis in Finance and a Minor in Economics, Ealing College, London, England, Foreign Studies Program

Experience: 19 years in the financial services industry, personal banking, trust and investments services and consumer/mortgage lending and management

Community Involvement: Member Oostburg Kiwanis Club, Sheboygan Gus Macker 3 on 3 Basketball Tournament Chairman, Treasurer Cub Scout Pack 3885, Leader Boy Scouts Troop 885, Eagle Scout and current Friends of Scouting Campaign volunteer, YMCA soccer and basketball coach, member St Paul Lutheran Church, Sheboygan Falls, past Sheboygan County Boys and Girls Club Board of Directors, President Sheboygan Lakeshore Sunrise Kiwanis Club, United Way Campaign volunteer

Interests: Spending time with family (wife Stacey and kids, Maddy, Jack, Charlie and Claudia), golfing, basketball, attending sporting events, coaching and landscaping

(continued on page 4)

Happy Birthday

Happy birthday and congratulations to Dan TenHaken and Mark Gee for being the first people in their checking statement cycle to call identifying January 31st as their birthday. Be sure to read the entire issue of Update and look for your birthday to be written in *italics* and randomly appear in an article, then call us. We'll call you back if you are a winner of a \$20.00 Community Cash certificate

Holiday Hours

Columbus Day October 8
Open

Thanksgiving November 22
Closed

Christmas Eve December 24
Open 8:30am-1:00pm

Christmas Day December 25
Closed

New Years Eve December 31
Open 8:30am-5:00pm

New Years Day January 1
Closed

Bank Hours

LOBBY HOURS

Monday - Thursday 8:30 a.m. - 5:00 p.m.
Friday 8:30 a.m. - 6:00 p.m.

DRIVE-THRU HOURS

Monday - Thursday 8:00 a.m. - 5:00 p.m.
Friday 8:00 a.m. - 6:00 p.m.
Saturday 8:00 a.m. - 11:30 a.m.

905 Center Avenue • P.O. Box 700198 • Oostburg, WI 53070-0198 • (920) 564-2336 • Fax: (920) 564-3889
10 Phoenix Avenue • P.O. Box 356 • Cedar Grove, WI 53013-0356 • (920) 668-6216 • Fax (920) 668-8014

FTC Consumer Alert: Scammers Using Affordable Care Act

No sooner had the U.S. Supreme Court ruled on the Affordable Care Act than scam artists began working the phones. Claiming to be from the government, they're saying that under the Affordable Care Act, they need to verify some information. For example, they might have the routing number of the person's bank, and then use that information to get the person to reveal the entire account number. Other times, they have asked for credit card numbers, Social Security numbers, Medicare ID, or other personal information.

The Federal Trade Commission, the nation's consumer protection agency, cautions you not to give out personal or financial information in response to unsolicited phone calls, emails, or knocks on your door. Scam artists want your information to commit identity theft, charge your existing credit cards, debit your checking account, open new credit card, checking, or savings accounts, write fraudulent checks, or take out loans in your name.

If you get a call from someone who claims to be from the government and who asks for your personal information, hang up. It's a scam. The government and legitimate organizations with which you do business have the information they need and will not ask you for it. Then, file a complaint at ftc.gov or call toll-free, 1-877-FTC-HELP. If you think your identity's been stolen, visit ftc.gov/idtheft or call 1-877-ID-THEFT. You also can file a complaint with your state Attorney General.

For more information about the federal health care law, visit HealthCare.gov.

The FTC works to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a complaint or get free information on consumer issues, visit ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. Watch a new video, How to File a Complaint, at ftc.gov/video to learn more. The FTC enters consumer complaints into the Consumer Sentinel Network, a secure online database and investigative tool used by hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

Wall Street - Main Street Where Does Your Bank Fit?

When you read the word "bank" what do you see? A skyscraper on Wall Street overrun with faceless billionaires? Or maybe you visualize the brick building down on Main Street filled with people you run into at the grocery store who helped you finance a new car or send your kid to college. Somehow, "bank" has transformed into a catchall word lumping together every company and institution within a large and diverse financial industry. It's time to set the record straight.

What does a Main Street bank do?

Whether your money is with a small community bank or a large national bank's local branch, the financial institution does the same thing. These depository banks accept deposits from their customers, then lend that money out to other customers seeking loans. Essentially, banks distribute funds from one customer to another. As a bank receives more deposits and loan payments, it can make more loans. If the deposits and payments stop coming in, the stream going out dries up. Fewer people and businesses are able to get loans to buy or create goods and services. As a result, the whole economy slows down. Sound familiar?

How do depository banks make money?

In order to make a profit, which businesses need to do in order to pay employees and keep the lights on, banks must charge for the services they offer. This can come in the form of service fees and overdraft charges, but the most common way for banks to keep running is to charge customers for borrowing money. That's interest. Interest rates are higher or lower depending on how risky the loan is. The greater the chance a customer won't be able to pay back the entire loan, the higher the interest rate. The banking business model is built on taking calculated risks.

What about Wall Street banks?

Wall Street investment firms are more complex than depository banks. The average American knows very little about how investment banks work. Some even go so far as to compare the business model to a Ponzi scheme! Despite being complicated, the way investment banks make a profit is based on risk assessment, just like depository banks. Investment banks guarantee the sale of stocks and bonds and advise corporations on mergers and acquisitions, and provide supplementary services like trading derivatives, foreign exchange, equity securities and commodities. They also transfer money from investors to companies looking to grow. If the company does well, the investor makes money; if the company does poorly, the investor takes a loss. It's all about calculating risk, but with an entirely different set of products and services from a depository bank.

(Continued on page 4)

Budgeting in Tough Times

The problem with budgeting is it's easy to forget that it's an ongoing process. Any change in income or expenses, from an unexpected veterinarian bill to the rising cost of groceries, requires an adjustment in your budget. Recent years have brought new budget challenges to many consumers. Here's an overview of actions you can take to keep your budget balanced.

First, take stock: list your monthly income and expenses to determine whether your income covers your current expenses. You may need to track all your expenses for a month to capture all your cash purchases, such as food, beverages, entertainment, or personal items from aspirin to zinc tablets.

If your budget is out of balance, figure out where you might cut back. If you routinely incur late fees or overdraft fees, work out a plan to pay your bills when they are due.

Maybe you've been thinking about switching your telephone landline to a cell phone, taking the bus, or biking to work three days a week. Take any actions you may have been thinking about first. Next, look for less obvious ways to make ends meet. Schedule an appointment with your insurance agent to see whether you might be eligible for safe driver savings or a discount if you insure your house and vehicles with the same

company. If you haven't already, you may want to consider refinancing your home mortgage at a lower interest rate or transferring a balance on a high-interest credit card to a lower rate OSB card or personal loan.

Next, consider how you might increase your income. If you've been considering a career change, this might be a good time to apply for other positions. You might want to add a second job, especially in a field that's enjoyable to you, for example, in a quilt shop, hobby store, musical performance, or youth sports program. Or, maybe this is the time to explore your entrepreneurial side by starting a low-cost business you've been dreaming about.

Faced with a need for more income, people sometimes decide to have a garage sale or sell items online. Think twice about selling any items you will eventually need to replace or items of sentimental value that really can't be replaced.

Whatever you do, don't take on additional debt in an effort to pay immediate bills. Unless your budget challenge is truly a short-term event, additional debt will just add to your financial problems. Also try to avoid canceling your health insurance or using retirement savings.

A couple of Wisconsin resources that offer more details about how to track your spending, cut back, increase your income, and balance your budget are:

- The University of Wisconsin Extension offers several online publications to "Managing Your Finances in Tough Times" at: <http://fyi.uwex.edu/toughtimes/>.
- The Wisconsin Department of Financial Institutions offers on its website a link to Practical Money Skills," including saving, spending, and budgeting: <http://www.practicalmoneyskills.com/> (click on Personal Finance).

As your locally owned and operated community we are here for you... please do not hesitate to call us with your questions and concerns. We are here to provide you with local service and act as a resource for additional information and services.

OOSTBURG FINANCIAL SERVICES



Steve Klescewski
Financial Advisor, CRPC

- Retirement Planning
- Employer-Sponsored Retirement Plans
- Investment Planning
- Fee-Based Advisory Accounts
- Annuities & Insurance Products
- Mutual Funds
- Unit Investments Funds
- U.S. Government Securities
- Corporate & Municipal Bonds
- Stocks
- Long Term Care Insurance
- Education Savings Plans

"My focus is on listening to your wants and needs. This communication allows for goals to be set and together we can plan your path to financial freedom. As we work together my hope is that you will recognize the integrity that I bring to my position and that we can develop a lasting friendship and trust."

Located at

OSB
OOSTBURG STATE BANK

564-4329

Securities and advisory services offered through HARBOUR INVESTMENTS INC.
May lose value • Not FDIC Insured • No bank guarantee

President's Message (continued from page 1)

In the short time that I have been at Oostburg State Bank, I have had many people ask why I chose Oostburg State Bank. I tell them that the decision to make a change wasn't easy, but the reason for it was very clear to me.

At my previous employer, for the past 3 years I was managing the loan operations department. I was responsible for the management of the loan processing, underwriting and closing operations for consumer, commercial, portfolio loans and secondary market residential mortgages. My duties included *December 10* reviewing and developing procedures to ensure compliance with industry and investor requirements along with the daily management of the loan operations and production staff. With all the new government regulations the past couple years effecting loans, it was an interesting and challenging position. I enjoyed the job, but I really missed working directly with customers. For my prior years in banking, I worked directly with customers, including 7 years as loan officer. I really wanted to get back to that again. So I knew what I wanted to do, I was just looking for a bank that had a similar customer service approach and "sales" philosophy that I had. So when the opportunity to work at Oostburg State Bank was presented to me, I was excited. Over the years of competing for customer's business, it was not usual to hear complaints about the issues they had with their "big" bank, but whenever I spoke with a customer or friend who dealt with OSB, they were always happy with their bank. So I knew there had to be something there. I did all the research, I looked at the products and services they offered, and the rates and fees that they charged. As I expected they basically had all that the "big" banks had. But I knew there was something more. During the interview process, as I explained my approach and beliefs and each person I talked to explained the way things are done here. It seemed like a great fit. Before making my final decision, I talked to a couple of close family friends who through their jobs dealt with many of the banks in the area. I wanted to get their thoughts on OSB. I felt one of them summed it up perfectly. He said that OSB may not have all the bells and whistles of the big banks, but they have a bunch of good people down there that really care about what they do.

My primary responsibly will be meeting with customers and getting to know them and their financial needs and goals. We can then structure a loan that best works for them. Whether they are a first time borrower or a long time customer of the bank, my goal is to meet and exceed the high standards of customer service that OSB has established over the past 100+ years.

I'm truly excited and appreciate this opportunity and look forward to working with each customer and the great group of employees at Oostburg State Bank.

Wall Street - Main Street (cont. from page 2)

According to a recent Rasmussen report, 51% of Americans lack confidence in the stability of the U.S. banking industry. Yet, depository banks like OSB are continuing to work with consumers and businesses and are helping to move the economy forward just as they were during the nation's recent economic downturn. If more people understood the differences between financial institutions and refrained from labeling them all as "banks", then certainly Americans' confidence in the stability of the U.S. banking industry would rank much higher. Please keep this information in mind when discussing this issue or should anyone ask you to answer a survey question regarding your confidence in our nation's banking industry.

Board of Directors

Gary De Master, Chairman
Carl Claerbout
Eric Glewen
Terry Katsma
Larry LeMahieu
Philip Ongna
Steve Vander Ploeg
Gordon Veldboom

Bank Officers

PRESIDENT

Terry Katsma
NMLS - #483227

VICE PRESIDENT - MARKETING

Chuck Berg

VICE PRESIDENT - BUSINESS BANKING

Cory Ferber

VICE PRESIDENT - BUSINESS BANKING

Eric Glewen

VICE PRESIDENT - LENDING

Thomas Leibham
NMLS - #904454

VICE PRESIDENT - LENDING

Larry LeMahieu
NMLS - #483228

VICE PRESIDENT - CFO

Eric Veldhorst

OFFICE PRESIDENT - CEDAR GROVE

Steve Wisse
NMLS - #483229

VICE PRESIDENT - OPERATIONS

Robert Zajkowski

ASSISTANT VP - TELLER SUPERVISOR

Shirley Hartman

ASSISTANT VP - CUSTOMER SERVICE

Denise Kussard
NMLS - #874009

ASSISTANT VP - LOAN ADMINISTRATOR

Shannon Stahl

ASSISTANT VP - IT/OPERATIONS

Jason Stewart

ASSISTANT VP - CUSTOMER SERVICE

Rachel Weavers

Mission Statement

To be an independent community bank committed to meeting the financial needs of our customers while providing a positive work environment for employees and a fair return to our stockholders.

Oostburg State Bank
P.O. Box 700198
Oostburg, WI 53070-0198
564-2336 • chuckb@oostburgbank.com