

# lifetimes



FIRST NATIONAL BANK | winter2016-17

## Letter from the President

The holiday season is a wonderful time to reflect on the many blessings that we have in our personal lives and those within the community. This year, I am thankful for the resiliency and spirit of Waseca! When Waseca makes the news, I have many family and friends that reach out and connect, and often times it is a tragedy that puts us on their radar screens. During these trying times, I find myself counting our blessings and reinforcing to others what a truly remarkable community we have.

September 22<sup>nd</sup> was one of those days. Our community awoke on that Thursday morning to face the many challenges that the 14 inches of rain had presented throughout the night. Coming to the bank that morning, I knew that many of our employees were facing devastation to their homes and belongings. Although the Bank remained open, I spent my day driving through the community providing assistance to those sandbagging and hauling out carpets, furniture, and appliances. I reached out to one of our Board members, Chuck Driessen, who is the CEO of our local Culligan dealer, and arranged to have a truckload of water delivered to the bank, which he graciously offered to split the cost. Staff was limited the next few days as many of our employees drove around town delivering water to those in need, offering pizza for workers sandbagging, and providing emotional and physical support as needed.

As we worked through this event, the strength of our community and our people shined through! I saw neighbors assisting neighbors, people offering the use of pumps, dehumidifiers, trucks and equipment to complete strangers, and a City that stepped up to make the clean-up efforts a priority. So this holiday season, I remain thankful that Waseca and its people are amazing. In good times and in trying times, the strength and spirit of our community shines!



*Bernie*

Bernie Gaytko

## 4 Benefits of a Mobile Wallet

Maybe it's new to you. Maybe the woman in front of you at the coffee shop used one. Maybe you're leading the trend. Whether it's Apple Pay™, Android Pay or another mobile wallet, app-based payment methods are here to stay. And for good reason! Using a near-field communication (NFC) chip in your smartphone, mobile wallets offer many advantages over traditional payment methods, including:

- 1 | Extra layers of security.** Mobile wallets encrypt your credit card information and many use a payment code entirely separate from your credit card number for making payments. In addition, you're in control of your device at all times, and some even require a fingerprint scan when paying. These added protections can help to minimize the risk of card fraud.
- 2 | Loyalty program tracking.** In addition to storing card information, most mobile wallets can also store your favorite loyalty cards, allowing you to continue earning points and score special deals. Forgetting your punch card can be a thing of the past.
- 3 | Easy money management.** While online account management has made budgeting easier, with multiple cards and accounts it can be difficult to keep track of spending. Most mobile payment apps allow you to easily see recent spending on all your connected cards, saving you time and the headache of logging in to multiple websites.
- 4 | Increased payment speed.** Without the need to search through your wallet for the right card, paying can be faster than ever. Some merchants even allow you to skip the line entirely when using a mobile wallet app to pay for items you've ordered online or from your phone.



### Helping You Prepare for Your Financial Future

First National Bank of Waseca offers debit card options that are compatible with Apple Pay! To learn more, call 507.835.2740.



# Checklist for an Organized Estate

Estate planning is a *must* these days. And, frankly, it's the smart thing to do to protect your assets and ease an already difficult time for your loved ones. But starting the process — and executing it effectively — can be a challenge. That's why **First National Bank of Waseca** has compiled a checklist to help you identify common qualities of an organized estate.

- Designate those who will manage your estate.** It's never too early to select a person or people to be the executor of your estate, power of attorney, health care power of attorney — even who will become the guardian of your kids and pets, if necessary.
- Create or update your will.** You can typically have an attorney draw up a will for less than \$1,000 or buy computer software to create one at home if your estate is uncomplicated. Once complete, keep one copy at home and one with the executor of your estate.
- Work with your financial institution on payable on death (POD) designations.** POD allows you to transfer accounts (savings, CD, etc.) to a designated person upon death so that your assets don't get tied up in expensive probate court.
- Assemble a complete list of credit cards and debts.** An easy way to check this task off is to run a free credit report, which lists your entire credit card and debt history in one place. This can help identify:
  - Mortgages
  - Vehicle loans
  - Home equity lines of credit (HELOC)
  - Credit cards and their balances
  - Debt you currently owe
- Make arrangements for your safe deposit boxes.** While safe deposit boxes are often not immediately accessible upon death, you'll want to provide the executor of your estate with the following for each safe deposit box you rent:
  - Financial institution information
  - People who have access to the box
  - Box number
  - Where keys to the box are located
  - What the contents of the box are
- Protect your digital identity.** Even after passing away, your digital information lives on. Keep it secure by organizing your passwords and online records for someone you trust. There are secure, digital services that can compile your passwords so that an executor can access them in the event you pass away.
- Do an asset inventory.** Start a catalog of all your physical and non-physical assets to account for all your items of value. This list should include:
  - Items worth more than \$100 (e.g., jewelry, vehicles, etc.)
  - 401(k) plans/IRA assets
  - Insurance policies
  - Banking and brokerage accounts
- Include instructions for things of sentimental value.** While many of the previous points deal with the distribution of hard assets, don't forget to provide direction for your meaningful soft assets. For example, have priceless heirlooms been in the family for generations? Do you have recipes or photo albums you want to pass on? In the difficult distribution of assets upon your passing, these items can be a welcome reprieve and reminder of your love.

Need additional information?  
Contact First National Bank of Waseca today.



For more information on traditional or Roth IRAs, contact First National Bank of Waseca by visiting [www.fnbwaseca.com](http://www.fnbwaseca.com) or calling us at 507.835.2740.

## Passing Retirement Accounts to Loved Ones: What to Know

If you've written a will, you may think you're done with your estate planning. But retirement accounts, such as IRAs and 401(k)s, aren't governed by your will. While it's not the most pleasant subject to think about, if you want your hard-earned retirement savings to pass directly to your loved ones, you must name beneficiaries for each of your accounts. This is especially important following divorce and remarriage, when the beneficiaries may not be as clear as you think. The rules governing retirement accounts can be confusing, so be sure to consult a qualified tax advisor. The points below are the most important ones to remember.

### Rules for Employer-Sponsored Retirement Plans

If you're single, you can name whoever you choose as the beneficiaries of your 401(k) or other employer-sponsored

retirement plan. The account will automatically be passed on to whoever you name on the designation form, regardless of what your will says. If you're married, you must name your spouse as the beneficiary, unless your spouse signs a document giving up his or her right to your account. In cases of divorce, provisions can be made in the divorce settlement to determine who is entitled to the money or how it will be split.

Your beneficiary will owe income tax on withdrawals from the account (unless it's a Roth account). Individual plan rules may affect the distribution options available to your beneficiary, such as taking a lump sum, spreading withdrawals over five years or rolling the balance into an IRA. How and when withdrawals are made will affect the amount of income tax your beneficiary will owe.

### Traditional or Roth IRA Rules

In general, if you have an IRA, you can name anyone you desire as a beneficiary. IRAs aren't required to be passed on to a spouse. You should complete a beneficiary designation form as soon as you open your account so you don't forget to name someone. You can amend the form to change beneficiaries at any time.

A spouse named as a beneficiary has more flexibility than other beneficiaries in deciding what to do with the account. Only someone who inherits an IRA from a spouse can treat it as his or her own, allowing the beneficiary to make contributions to it or roll it into another retirement plan. Generally, beneficiaries will owe income tax on distributions from traditional IRAs, but not Roth IRAs.



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# life perks

Exclusively for you!

## winter2016-17 Trips and Events

To make your reservation, please contact Ann at 507.382.5667.



St. Petersburg, Russia

### June 11-24, 2017

#### Scandinavia – Baltic Sea Cruise

Join us as we sail roundtrip from Copenhagen, visit the terracotta-colored buildings in Stockholm, shop for handcrafted gifts in Helsinki, and enjoy a two-day experience in St. Petersburg, Russia! Cities and countries visited include Copenhagen, Denmark; Oslo, Norway; Berlin, Germany; Tallinn, Estonia; St. Petersburg, Russia; Helsinki, Finland; and Stockholm, Sweden. More details to follow!

### December 7, 2016

#### Holiday Open House – Hope Office

Time: 11am - 2pm

### December 8, 2016

#### Holiday Open House – Waseca Office

Time: 11am - 2pm

### December 9, 2016

#### Holiday Open House – Ellendale Office

Time: 11am - 1pm

### December 10 & 11, 2016

#### “It’s a Wonderful Life,” A Live Radio Play

Be sure to see the classic story of “It’s a Wonderful Life,” a live radio play by Joe Landry, presented by the Waseca Art Center and directed by Jack Williams. Performances to be held in the Central Building Auditorium with advanced tickets available at the Waseca Art Center and Waseca Music Company.

Time: Saturday, December 10 at 7:30pm

Sunday, December 11 at 2pm

Cost: \$10 per ticket

### December 24, 2016

#### Christmas Eve

Bank & drive-thru will be closed.

### December 25, 2016

#### Christmas Day

Bank & drive-thru will be closed.

### December 26, 2016

Bank & drive-thru will be closed.

### December 31, 2016

#### New Year’s Eve

Bank & drive-thru will close at 12pm.

### January 1, 2016

#### New Year’s Day

Bank & drive-thru will be closed.

### January 2, 2017

Bank & drive-thru will be closed.

