



# CITY STATE BANK SPIRIT

Clive • Grimes • Indianola • Madrid • Martensdale • Mesa • Mount Ayr • New Virginia • Norwalk



## PRESIDENT'S LETTER

Usually writing this President's Letter comes easy for me. I am often thinking about several different topics to discuss with you, and honestly, I love getting to 'talk' to our customers and friends in this platform. I attempt to inform, amuse, and share personal stories with you, and I always try to do it in a positive manner. This time it is more difficult. It has certainly been a difficult few months for our country, our state, and our communities, with that said, there have been tremendous positives as well.

Here at City State Bank, those positives have certainly shown through. I have often said that I have the best team in banking, and these past few months have only reiterated that.

- I watched our mortgage lenders process record numbers of home loans, benefiting new and existing home owners. It may seem like a 'home loan' to some, but to us, it is a chance to free up funds to allow you to do home projects that you now have time to do, or to put a bit more money in your account during a tough time.
- As markets dramatically fluctuated, I saw our Trust and Investments team reaching out to customers about their investments. In a time of uncertainty, we saw the agility in their practices and the exceeding value in their founding principal of staying consistent and staying diversified.
- The federal government offered a program called the Payment Protection Program, through the Small Business Administration (SBA). As many of you know, it is intended to allow businesses to maintain their employees. With minimal guidance, the program was rolled out and it was humbling to see the overnight hours and teamwork that our employees showed to make sure that our customers got the funding they needed. Our staff was dedicated and nimble in adjusting to the new regulations and assisting our customers. I am proud to say that City State Bank helped over 300 local businesses receive funding through PPP, by lending more than \$40 million dollars that went towards businesses, their staff, and essentially, back into the communities that we serve.
- I watched our front-line staff easily adjust to new demands and requirements. I watched them connect with customers and friends, albeit from the drive-thru windows instead of in the lobby.
- And I watched our Operations department flawlessly continue with banking operations because they had put in the time and effort to be sure that systems and supports were ready for situations just like this.

These were also shining examples of how banking at a local, community bank can be. The level of personal dedication that comes with knowing your lender, your investment person, and your tellers, sets us apart from the big banks. And the fact that you are not just our customers, but also our friends and community partners, only adds to our commitment.

This year marks our 125th year at City State Bank. When planning the events and opportunities to commemorate this milestone, we could not have imagined 2020 would look quite like this. But, as with all challenges, it too has had its positives by offering us a chance to slow down and truly appreciate the principles of community banking and the generations of relationships that have helped us endure since 1895.

Please know that at City State Bank, we appreciate your friendship. Thank you for your support and thank you for trusting us to guide and partner with you during this time. Our lobbies are now fully open and we really look forward to seeing you in person again. Stay well my friends.

~ Steve Albrecht

## OUR MISSION

The City State Bank Spirit drives us to provide service and solutions exceeding customer expectations.

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**SPIRIT. DRIVE.  
RELATIONSHIP.**





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## SUNDAY SALUTE

Every year, City State Bank is proud to honor the service men and women by displaying their photo and service information in our lobbies on our 'Wall of Heroes'. This year, beginning July 4th, we are going to share these on our City State Bank Facebook page each Sunday with our 'City State Bank Sunday Salute'. If you have already turned in a photo of yourself or someone else, and would like to have them included in the online salute, please call your local City State Bank to give permission. *(Previous entries do not need to be re-submitted, just permission granted).*

If you would like to have someone included for the first time, please stop by any CSB location with a military photo (past or present) and we will copy it and return it to you immediately. Then just fill out a form including their Name, Branch of Service, Rank (if desired), Date of Service, and Place Served.



## CHOOSE E-STATEMENTS

Sign up in three easy steps!

1. Log into your Online Banking
2. Choose 'Statements'
3. Then 'E-Statement Enrollment'

## Home Loan rates are incredible... don't miss this opportunity!

Looking to **build or purchase** a new home?  
Or planning to stay where you are but wondering  
if you should **refinance?**

[www.citystatebank.com/home-loans](http://www.citystatebank.com/home-loans)



MEMBER FDIC



## NEW DATES! Starlight CINEMA FREE Movies at Memorial Park

*Bring your own seating, drinks, snacks & hand sanitizer  
Restrooms available, but no drinking fountain or concessions  
Sit in family groups six feet away from other families*

*Please stay home if you're sick, or have been exposed to COVID-19 in the past 14 days.*

**Friday, July 10 8:45 pm**

**Frozen 2 (PG)**

*Show Sponsor: Overton Funeral Home*

**Friday, July 17 8:45 pm**

**Moana (PG)**

*Show Sponsor: Shull, Schrum, McClafflin & Co, P.C*

**Friday, July 24 8:40 pm**

**The Lion King (PG)**

*Show Sponsor: Details Plus*

**Friday, July 31 8:30 pm**

**Aladdin (PG)**

*Show Sponsor: Dental Professionals, PLC*





## IMPORTANT 2020 IRA UPDATES AND STRATEGIES

### REQUIRED MINIMUM DISTRIBUTIONS

For retirement account holders turning age 70 ½ after January 1, 2020, the SECURE Act changed the Required Beginning Date (RBD) for minimum IRA distributions (RMD) from age 70 ½ to age 72. If you turned age 70 ½ in year 2019 or earlier, your RMD rules did not change.

However, the CARES Act decreed that IRA owners are not required to take their RMD in the year 2020. The intent by Congress was to allow IRA owners to keep their funds invested for potential recovery. The waived required distribution rules apply regardless of whether the IRA is your own or inherited. RMD rules go back to (new) normal in 2021.

City State Bank and CSB Trust and Investments will continue to process previously requested regular IRA distributions. If you elect to not take your 2020 RMD, you need to do so in writing. Please contact us for an updated distribution document.

If you have already made a 2020 distribution from your own IRA, you may elect to replace those funds and avoid paying taxes in 2020. Funds must have come from a non-inherited IRA and be replaced by July 15, 2020. This stretches the 60-day IRA rollover rules for this period only.

### Roth Conversions

2020 may be the perfect year to consider converting pre-tax Traditional IRAs to Roth IRAs. A conversion can be made by any IRA owner, regardless of income. Converting pre-tax IRA dollars to Roth adds the converted amount to your taxable income for the calendar year of the conversion. This means you elect to pay tax on dollars that were otherwise tax deferred, so you need to make sure you are doing so for good reason.

Reasons that may cause 2020 to be a good time for such a conversion:

- You do not need IRA distributions for your living expenses
- You have cash available outside of the IRA to pay taxes on the Roth conversion
- You expect to be in a higher tax bracket in the future
- Taxpayers who do not have any taxable income

Roth conversions can be done in any amount and many people anticipate lower income in 2020 effected by the pandemic. Completing a Roth conversion to at least fill your marginal tax bracket is a strategy that many should consider prior to December 31, 2020.

### Inherited IRAs

The SECURE Act changed distribution rules for IRAs inherited by a non-spouse for IRA owners who pass away on or after January 1, 2020. These rules greatly shortened the previous stretch IRA provisions and, in some cases, made Roth IRA conversions more attractive. Older IRA owners in a lower tax bracket than their beneficiaries may be able to convert those dollars over time and pass the tax-free Roth dollars on more efficiently.

2020 has brought with it several challenges and new acronyms for retirement savers. Along with making prudent investment decisions, City State Bank Trust & Investments' CERTIFIED FINANCIAL PLANNERS® excel at helping clients understand and take advantage of available tax and estate planning tools.



**Chad Stevens, CFP®**  
SVP, Investment Manager  
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# 2ND QUARTER DONATIONS

- Assumption Shrine
- Boone County Cattlemens Banquet
- Boone County Pheasants Forever
- DC-G After Prom
- DC-G Booster Club Cake Walk
- DC-G Education Foundation
- Diagonal Lions Club
- Grimes Community Foundation Splash Pad Project
- Grimes Easter Eggstravaganza
- Heal House of Iowa
- I-35 After Prom
- I-35 National Honor Society
- Indianola Chamber Putt Putt & Pints
- Indianola Dollars for Scholars
- Iowa Corn Growers Association
- Iowa State Sherriff and Deputy Association
- Ironman Foundation
- Knights of Columbus
- Leukemia and Lymphoma Society of Iowa
- Madison County Cattlemens
- Mid-Iowa Boys Scouts of America
- National Balloon Classic
- New Virginia Hometown Pride
- Norwalk Food Pantry
- Norwalk Lions Club Lobster Dinner
- Norwalk Music Boosters
- Ringgold County Pheasants Forever
- Rotary Club of West Des Moines
- St. Mary's Fire Department
- Three Rivers Ducks Unlimited Banquet
- Warren County Conservation
- Warren County Leadership Institute
- Warren County Longbeards



## CELEBRATING 125 YEARS

City State Bank is proud to be celebrating 125 years of community banking. Watch our website and Facebook page for upcoming events.

Do you have an old photo or item from City State Bank or Norwalk Cumming State Bank? We'd love to see it. Email us a photo at [halbrecht@citystatebank.com](mailto:halbrecht@citystatebank.com).



## CONTACT INFORMATION

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**New Virginia**  
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**Trust & Investments\***  
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515-981-1400

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.....  
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.....  
219 SE Main Street  
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\* Not FDIC insured. Not deposits or other obligations of bank and are not guaranteed by bank. Are subject to investment risk, including possible loss of principal. \*\*Not a deposit. Not FDIC insured. Not insured by any federal government agency. Not guaranteed by the bank. May go down in value.



[www.citystatebank.com](http://www.citystatebank.com)