



CITY STATE BANK SPIRIT

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



PRESIDENT'S LETTER

For years, I have been writing to you in our Spirit Newsletter sharing thoughts, insights, stories, laughs, and hopefully a bit of wisdom along the way. On numerous occasions, I have written about the importance of succession planning for your business, not only for the financial aspects, but more importantly to ensure the spirit, culture, success, and future goals are continued.

We truly believe succession planning is what makes for a smooth transition and strengthens your business, employees, and customers. Here at City State Bank, we practice what we preach, and I wanted to inform you of some recent leadership changes that took place at our April board meeting.

Beginning in May, I stepped down from my role as President, though I will continue to serve as CEO and Chairman of the Board. I started with City State Bank in 1992, and have really enjoyed my role, but felt it was time to pass the baton and for CSB to move forward with young talent. As for my plans, I do not see much changing in my daily routines and plan to work many more years here at CSB. The bank is in a very strong position with its level of talent and overall condition and I plan to continue to help ensure its stability for years to come.

With that said, I would like to announce that David Albrecht was named as President/CFO of City State Bank at the April 2022 board meeting. David has been with City State Bank since 2003 and is a valued team player and member of our family. He earned his bachelor's degree in Accounting and Finance from Iowa State and then obtained his CPA certificate. He attended Drake University Law School earning his Law Degree in 2003. David is well-known and respected by our staff and customers and will continue our tradition of safe and sound banking and trust management. I want to congratulate him on this opportunity and thank him for all his years and effort given to CSB and myself.

Lastly, I want to thank all of our customers, friends, and staff. I cannot tell you how much I have enjoyed my nearly 30 years serving as President of City State Bank, and it is because of you. You are not only the very best customers, employees, coworkers, board and shareholders, but you are also trusted friends and colleagues as well, and I know David will receive the same support from you that I have. I have always said that I am so blessed to work with the very best in banking and it couldn't be more true: thank you.

Sincerely,

Steve Albrecht

OUR MISSION

Embracing a relentless spirit to achieve success for the customers and communities we serve.

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**SPIRIT. DRIVE.
RELATIONSHIP.**





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UPCOMING BANK EVENTS

- **July 4:** Norwalk 4th of July celebration...look for us in the parade and then join us in the park for food, fun and live music from 11:30 am-3 pm on the City State Bank Stage!
- **July 9-10:** Join us to celebrate the 125th Anniversary of the Old Settlers Celebration in New Virginia. We will be in the parade and volunteering at various events.
- **July 15:** Bring your lawn chairs and blankets and meet us at the Memorial Park Amphitheater in Indianola for the outdoor Starlight Cinema, sponsored by City State Bank. Tonight's movie will be Space Jam, A New Legacy, starting at 8:50 pm.
- **July 26:** Warren County Tractor Ride – we will be serving the afternoon snack. For more information about joining the ride, visit warrencofair.com.
- **July 4-29-Aug. 6:** Indianola National Balloon Classic – proud to be a sponsor of this event.
- **Aug. 5:** Join us for the last outdoor movie of the season in the Starlight Cinema series. Memorial Park Amphitheater in Indianola, starting at 8:30 pm for Tom and Jerry the Movie, sponsored by City State Bank. Bring your chairs and blankets.
- **August:** we will be serving breakfast to all of the teachers and staff at our local schools on their first day of in-service. It is our privilege to welcome them back for another year of the learning, excitement, and fun they bring to the children of our communities.
- **Sept. 4:** Meet us at Norwalk City Park for a day of bands and music at 2022 Music Fest! City State Bank is proud to sponsor the stages for this event again. For more information about volunteering, participating, or the schedule of events, visit norwalkhometownpride.com.

Online Account Opening!

Now you can open an account with City State Bank from anywhere.

Already a customer?

- Login to your online banking and choose Services/Open an Account.
- Using our CSB App? Just choose Services/Open an Account.

Not a customer or not using our online banking yet?

- No worries. Visit us at join.citystatebank.com to get started.



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CYBER-SAFE TRAVEL

By Financial Services Information Sharing and Analysis Center

Summer is a great time to take a break and getaway and chances are you will have your smartphone with you for photos, maps, and staying connected to work and home while you're gone. Here are some easy tips to protect your phone and your information while you're away. And remember, **NEVER** give out any of your personal or banking information.

- **Guard your devices.** Your devices are valuable, but your sensitive information is as well. Always keep your devices close at hand and secure in taxis, security checkpoints, airplanes, rentals homes, and hotel rooms.
- **Securely recharge.** Never plug your phone into a USB public charging station, such as those in the airport or in hotel room lamp or clock radio inputs. Malicious individuals can hijack your session or install malware on your device. Always connect using your own power adapter connected to a power outlet.
- **Avoid public Wi-Fi.** While public networks are convenient, they are a security risk. Avoid connecting to public Wi-Fi unless absolutely necessary. Instead, consider using your phone carrier's internet connection or use your phone as a personal hotspot if your plan allows. If you do need to connect to public Wi-Fi, verify with the establishment the name of the network and use a virtual private network (VPN).
- **Turn off auto connect.** While auto connect is enabled, devices will seek out and connect to available networks or Bluetooth devices. This could allow cyber criminals to access your device without you knowing it. Disable auto connect, Bluetooth connectivity and near field communication (NFC), like airdrop, so that you can select the network and you can control the connection.
- **Limit what you share.** Limit the information you share on social media while on vacation and consider posting updates about your trip after you return. Revealing too much information while away can put you and others at risk.
- **Avoid the use of public computers.** Public computers such as hotel business centers and internet cafes are often poorly managed and provide minimal security protection for users. If you must use a public computer, do not enter any username or password on the computer and do not connect or transfer data via thumb drive/USB.



IOWA TAX UPDATE

By Nathaniel Tagtow, JD, Trust and Estate Officer

Although tax season is behind us, there are some interesting changes to Iowa tax law on the horizon that could have a significant impact on many Iowans.

One significant change will impact Iowa retirees. Beginning in 2023, all retirement income will be completely exempt from Iowa taxation for retirees who are 55 years old or older. Retirement income includes income from 401(k) plans, IRAs, annuities, and deferred compensation plans. This law change was enacted in the hopes that it would incentivize retired Iowans to stay in the state rather than move away to a more tax-advantaged (and possibly warmer) state.

Another important state tax law change beginning in 2023 is a reduction in individual income tax rates. Currently, the top income tax bracket in Iowa is 8.53% on income over \$78,435. That highest tax rate will decrease to 6% starting in 2023. From 2023 through 2026, the top tax rate will continue to decrease annually before settling in at a top tax rate of 3.9% for 2026 and all subsequent years. Here is a look at the top state tax rates in future years:

2023	6%
2024	5.7%
2025	4.82%
2026 and subsequent years	3.9%

Lowering the top income tax rate should allow for many Iowans to have more money in their pocket in coming years. Retired Iowans could enjoy the dual benefits of lower state tax rates, along with completely state tax-free distributions from retirement income.

One additional tax law change has to do with Iowa inheritance tax. Historically, Iowa has charged a tax on inheritances that do not pass to a spouse or to lineal ascendants and descendants (essentially straight up and down the family tree). For example, an inheritance given to a niece or a nephew would be subject to Iowa inheritance tax. However, the Iowa inheritance tax is phasing out and will be completely eliminated by 2025.



**TRUST &
INVESTMENTS**

For more information, please contact City State Bank Trust & Investments at 515-981-1400 or visit us online at citystatebank.com/trust-investments.

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Cole Adair and Katy Melnick

CITY STATE BANK INSURANCE SERVICES: PERRY

City State Bank Insurance Services is proud to announce our newest location at 901 1st Street in Perry, Iowa. We are excited to work with Ray Heenan through the acquisition of his agency and are looking forward to continuing to serve the Perry community.

Now is a great time to review your insurance policies. Stop in today for a quote, contact Cole Adair or Katy Melnick at 515-465-3588, or visit us online at www.citystatebank.com/insurance.



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SERVICES**

AUTO • HOME • HEALTH • LIFE
FARM & RANCH • GROUP LIFE • GROUP HEALTH
BONDS • COMMERCIAL BUSINESS

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2ND QUARTER DONATIONS

- Boone County Pheasants Forever
- Dallas County Fair
- Indianola Starlight Cinema Series
- Iowa Prayer Breakfast
- New Virginia Easter Egg Hunt
- New Virginia Library Summer Reading Program
- Norwalk Bike Safety
- Norwalk Girls Basketball
- Norwalk Girls Track
- Norwalk Lunch in the Park
- Three Rivers Ducks Unlimited
- Ringgold County Fair
- RuNorwalk
- Warren County Turkey Banquet

GRIMES RIBBON CUTTING

We had a fantastic turnout for our Grimes Ribbon-Cutting event on Friday, May 6th to celebrate our newly remodeled Grimes location. Following was an open house with lunch and tours of the updated and expanded location.



RuNORWALK

City State Bank is proud to be the finish line sponsor of the RuNorwalk event since it began. Employees and their kids were on hand at the finish line to hand out Gatorade, water and bananas to participants.



Pictured is (L-R) Allie Ochanpaugh and Claire Albrecht



CONTACT INFORMATION

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