



SEPTEMBER 2011



MEMBER FDIC

## Farmers STATE BANK

Building Your Success

UNLOCKING YOUR  
FINANCIAL OPPORTUNITIES



## In This Issue:

**Financial Management Tips for College Students, A Guide to Trust Services, & Setting and Targeting Investment Goals**

### CD Rates:

**18 Mo. - 1.02%<sup>APY\*</sup>**

**60-67 Mo. - 2.25%<sup>APY\*</sup>**

### Bump Up Rate:

**36 Mo. - 1.75%<sup>APY\*</sup>**

### Loyalty Rate:

**24 Mo. - 1.60%<sup>APY\*</sup>**

\*APY=Annual Percentage Yield. Substantial penalty for early withdrawal, \$1,000 minimum opening deposit for 18 mo., 24 mo. loyalty, 36 mo. bump up and 60-67 mo. terms. 18 mo. interest rate 1.02%, 24 mo. loyalty interest rate 1.60%, 36 mo. bump up interest rate 1.74%, 60-67 mo. interest rate 2.24%. Interest compounds every 6 months for CDs with a term of one year or greater. To obtain the Loyalty CD rate the following qualifications must be met monthly: Have an existing or new primary checking account with FSB (Ultimate, Platinum, or Loyalty Checking) for the term of the CD (24 months), have more than 12 unique transactions (checks, ach, debit cards processed at different merchants/companies) with each transaction amount greater than \$10.00. Deposit and withdrawals done inside the bank do not qualify. If those items are not met a lower interest rate of 1.00% with an APY of 1.00% will be paid on that CD for that calendar month. One CD per person per checking account. Personal Accounts Only. For the 36 mo. bump up, at your discretion, you may elect to increase the interest rate and resulting APY once during the initial term of the CD to the prevailing 3-year CD rate for the remainder of the original CD. Early withdrawal penalty applies. 36 mo. bump up automatically renews into 3 year CD all other CDs renew for same term. Effective 09/01/2011. Rates subject to change daily.

## Financial Management Tips for College Students

College students understand grade-point averages and test scores, but do they understand their credit score or the value of saving? Students can prepare for the financial side of college with the following tips:

**You are in charge.** You are responsible for your finances and should act accordingly by creating a realistic budget and sticking to it.

**Watch Spending.** You control your money. Pace spending and increase saving by cutting expenses, such as eating out or shopping, so your money will last throughout the semester.

**Use Credit Wisely.** Understand the responsibilities and benefits of credit. How you handle your credit in college could affect you well after graduation.

**Get a Bank Account.** Farmers State Bank offers valuable services that students can benefit from like check cashing, debit cards, online banking, balance alerts, personal loans, direct deposit and financial education.

**Look Out for Money.** There's a lot of money available for students, you just have to look for it. Apply for scholarships and look for student discounts.

**New Is Out.** Consider buying used books or ordering them online. Buying books is expensive and often used books are in great condition and are always cheaper.

**Entertain on a Budget.** Limit your hanging out fund. There are lots of fun activities to keep you busy in college and most are free to students. Use your meal plan or sample new recipes instead of eating out.

**Be particular.** Don't trust just anyone with your money. Be skeptical of classmates, friends or salespeople that have ideas for your money.

**Save.** Things happen, and it's important that you are financially prepared when your car or computer breaks down. No matter how small the amount, you should start putting some money away immediately.

**Ask.** This is a learning experience, so if you need help, ask. Your parents or your banker are a good place to start and remember, the sooner the better.



## Farmers STATE BANK

MEMBER FDIC

Building Your Success

1-877-372-1879 • www.FSB1879.com

## A Guide To Trust Services

Why do so many financially successful individuals and their families trust institutions to meet their financial management needs? Several reasons come to mind and I have listed a few below:

- We provide a team approach with individuals who bring a diverse range of skills to the job.
- Our services are fee based. We are not compensated by generating transactions or through commissions for the sale of particular products. Our goal is your goal... helping you manage your property as well as preserve it for future generations.
- We are a corporate fiduciary, authorized by the banking authorities of our state and federal government to act as a trustee for individuals and institutions in the management and distribution of their assets. We also provide investment and management services to assist individuals named as executors or trustees.



**Tammy Fleming**  
Trust Officer  
319-874-4321

With this power to delegate the authority to manage property to a trustee, trusts can be used to further so many financial goals that there is no such thing as a "typical trust." However, certain basic trust approaches are widely used. Listed below are a few situations in life where trust planning might help you meet your own financial goals:

- Sudden, unexpected wealth
- The "Golden Years"
- Blended families
- Planning for widowhood
- Charitable giving/Philanthropy

These examples just touch the surface of what can be accomplished with a trust. Visit with our trust department to learn more about these ideas or to ask questions regarding your unique situation.

Trust Products: Not FDIC Insured • No Bank Guarantee • May Lose Value

.....

## Go Green to Save Some Green



Not only is going green good for the environment, it's also easy on your pocketbook. The U.S. Department of Energy provides the following tips to save money while being environmentally conscious:

Install a programmable thermostat to reduce energy usage when you're asleep or not at home. You can save about \$150 a year in energy costs. Also, changing your thermostat by just 1 degree saves \$44-\$73 a year.

Shade trees can cut summer air conditioning needs by up to 50 percent and make buildings up to 20 degrees cooler in the summer.

Switching from incandescent to compact fluorescent light bulbs can save \$180-\$300 a year.

Turning on the sleep functionality of your computer and monitor brings your computer's energy consumption down to about \$20 per year. Turn off the monitor if you aren't going to use your computer for more than 20 minutes.

Plug home electronics, such as TVs and DVD players, into power strips and turn the power strips off when the equipment is not in use. (TVs and DVDs in standby mode still use several watts of power.)



## Setting and Targeting Investment Goals

**How do you set investment goals?** Setting investment goals means defining your dreams for the future. When you're setting goals, it's best to be as specific as possible. Writing down and prioritizing your investment goals is an important first step toward developing an investment plan.

**What is your time horizon?** Your investment time horizon is the number of years you have to invest toward a specific goal. Each investment goal you set will have a different time horizon. For example, some of your investment goals will be long term, some will be short term, (and some will be intermediate). Establishing time horizons will help you determine how aggressively you will need to invest to accumulate the amount needed to meet your goals.

**How much will you need to invest?** Although you can invest a lump sum of cash, many people find that regular, systematic investing is also a great way to build wealth over time. Start by determining how much you will need to set aside monthly or annually to meet each goal. Although you'll want to invest as much as possible, choose a realistic amount that takes into account your other financial obligations. Dedicating a portion of every raise, bonus, cash gift, or tax refund you receive to your investment objectives is also a good idea.

**Which investments should you choose?** No matter what your financial goals, you will need to decide how to best allocate your investment dollars. One important consideration is your tolerance for risk. All investments carry some risk, but some carry more than others. Are you willing to accept a higher degree of risk in exchange for the opportunity to earn a higher rate of return? Whether you're investing for retirement, college, or another financial goal, your overall objective is to maximize returns without taking on more risk than you can bear. But no matter what level of risk you're comfortable with, make sure to choose investments that are consistent with your goals and time horizon.

**Review and revise.** Over time, you may need to update your investment plan. No matter what your investment goal, get in the habit of checking up on your portfolio at least once a year, more frequently if the market is particularly volatile or when there have been significant changes in your life. You may need to rebalance your portfolio to bring it back in line with your investment goals and risk tolerance. If you need help, contact me today.

Investment and Insurance Products: Not FDIC Insured • No Bank Guarantee • May Lose Value



**Jordan Alborn**  
Financial Advisor  
319-235-6561

---

## Football Fun Facts

It takes 3,000 cows to supply the leather for a year's supply of NFL footballs.

No network footage exists of Super Bowl I. It was reportedly taped over (for a soap opera, according to some rumors).

In 1906 colleges considered dropping the game because there were so many injuries and even some deaths. President Theodore Roosevelt campaigned for keeping the game but making it safer.

Field goals in college football were originally worth five points. This was decreased to four points in 1904 and three points in 1909.



EQUAL HOUSING  
LENDER  
MEMBER FDIC

1-877-372-1879 • [www.FSB1879.com](http://www.FSB1879.com)



**Farmers**  
**STATE BANK**

Building Your Success

Click



APPLY FOR AN  
**Auto Loan**



APPLY FOR A  
**Mortgage Loan**



APPLY FOR A  
**FSB Account**



DESIGN YOUR  
**Custom Card**

at  
[www.FSB1879.com](http://www.FSB1879.com)

Branch Locations:

Cedar Falls  
(319) 268-1879

Dunkerton  
(319) 822-2521

Raymond  
(319) 232-3070

Jesup  
(319) 827-1050

Waterloo  
(319) 287-3961

Gilbertville  
(319) 296-1410

Waterloo - Downtown  
(319) 274-1879

SUDOKU

|   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|
|   |   |   |   | 8 | 7 |   | 1 |   |
| 2 |   | 6 |   |   |   | 4 | 7 |   |
|   |   |   | 2 | 4 |   |   | 8 | 6 |
| 8 |   | 2 |   | 9 |   | 3 |   |   |
|   | 6 | 4 | 3 |   | 2 | 8 | 9 |   |
|   |   | 3 |   | 6 |   | 7 |   | 2 |
| 4 | 3 |   |   | 5 | 9 |   |   |   |
|   | 2 | 8 |   |   |   | 9 |   | 7 |
|   | 9 |   | 8 | 2 |   |   |   |   |

# Golden Horizons

A Club For Farmers State Bank Customers 55 & Older



**Oktoberfest Cruise, Moline, IL - October 12<sup>th</sup>**

Barefoot Becky is back for this favorite 4-hour Polka Cruise down the Mississippi. Lots of OmPaPas and dancing during this cruise. Don't miss this! Reserve your space early!

The cruise includes:

- Homemade sticky rolls and fruit as we depart the dock
- 2 entree lunch buffet featuring:  
Potato, Vegetable, 2 Cold Salads, Rolls, Dessert, Coffee and Iced Tea
- Afternoon snack

Bus pickup at Waterloo at 7:30 and Jesup at 8:00. We will board the Celebration Belle at 10:00am. The ship sets sail at 11:00am and returns at 3:00pm. Will arrive back to Waterloo around 6:00 and Jesup at 5:30. **Price is \$80 per person. Reservations are due by September 12<sup>th</sup>.**

**Keep up to date on the latest events in four convenient locations:**

1. Click Events at [www.FSB1879.com](http://www.FSB1879.com)
2. Branch Lobby Signs
3. Monthly Newsletter "The Key"
4. Facebook Posts

**1-877-372-1879**  
**[www.FSB1879.com](http://www.FSB1879.com)**