

Spring 2015



# NEWS from AMERICAN TRUST & SAVINGS BANK

## CAR AND TRUCK LOANS *for every reason*



**Get Pre-qualified.** Contact Kent Stout or Rich Crump today at **(563) 941-5391**.

*Loan rates  
haven't been this  
low in years.*

**NEW or USED  
CAR and TRUCK LOANS  
AS LOW AS**

**1.95% APR\***

\* Available to new loans only. The Annual Percentage Rate (APR) that you would be charged is based on your loan-to-value and credit worthiness. Loan is subject to credit approval. Terms and conditions are subject to change without notice. Some restrictions apply and may not be combined with other offers. Limited time offer.

## Tips For Young Adults

### *Simple Ways to Rev Up Your Savings*

Many people starting out in their careers find themselves burdened with lots of debt (perhaps from student loans, credit cards and car loans) and very little savings for future needs. But there are simple strategies for gradually building small savings or investments into large sums, even during your school years, and often with the help of automated services that make it easy. Here are key examples.

■ **Save for specific goals.** You should have a savings plan for large future expenses that you anticipate – perhaps education costs, a home or car purchase, starting a small business, or preparing for retirement (even though that may be many years away). And, young adults just starting to be responsible for their own expenses should build up an “emergency” fund that would cover at least six months of

living expenses to help get through a difficult time, such as a job loss, major car repairs or unexpected medical expenses not covered by insurance.

- **Commit to saving money regularly.** This is important for everyone, but especially if you are supporting yourself financially. Even if you don't make a big salary or have a steady source of income, the combination of consistently adding to savings and the compounding of interest can bring dramatic results over time. Aim to save a minimum of 10 percent of any money you earn or otherwise receive.
- **Make use of tax-advantaged retirement accounts and matching funds.** Look into all your retirement savings options at work, which may come with matching contributions from your employer.

If your employer doesn't have a retirement savings program, consider establishing your own IRA at American Trust & Savings Bank.

- **Decide where to keep the money intended for certain purposes.** For example:
  - Consider keeping emergency savings in a separate savings account instead of a checking account so that you can better resist the urge to raid the funds for everyday expenses. Be sure to develop a plan to replenish any withdrawals from your emergency fund.
  - For large purchases you hope to make years from now, consider certificates of deposit, which generally earn more in interest than a basic savings account because you agree to keep the funds untouched for a minimum period of time.

Source: FDIC Consumer News.

# IT'S HERE! ONLINE BANKING

*Banking  
that Fits  
Your  
Schedule*



In case you haven't heard, Online Banking has arrived at American Trust & Savings Bank. Customers are enjoying the convenience of accessing account information 24 hours a day, 7 days a week.

## **SIGN UP IS EASY:**

Go to [www.atsb-lowden.com](http://www.atsb-lowden.com) and click on "Enroll" in the upper right-hand corner of the screen and follow the simple steps. In a short time you will be ready to enjoy the convenience!

*Stop in the bank for a demonstration or visit our new web site at:*

[www.atsb-lowden.com](http://www.atsb-lowden.com)

Many consumers use debit and credit cards often interchangeably, to purchase goods and services. However, both these types of cards are quite different. Consider the following.

Each card works differently. If you use a credit card, you are borrowing money that you must pay back, in addition to interest, if you do not pay the balance in full by the due date. But, if you use a debit card, which is issued by your bank and linked to your checking or savings account, the money taken from the account is yours and you will never incur interest charges

Credit cards usually offer insurance on your purchases, plus are easier to stop payment on items. However,

## Debit and Credit Cards: There Are Differences



once debit card transactions are approved you cannot stop the payment.

A credit card issuer may decline a transaction that puts you over your credit limit unless you have explicitly agreed to pay a fee to permit over-the-limit transactions.

Your liability for an unauthorized transaction varies depending on the type of card. Federal law limits your losses to a maximum of \$50 if a credit card is lost or stolen. For a debit card, your maximum liability under federal law is \$50 if you notify your bank

within two business days after learning of the loss or theft of your card. But, if you notify your bank after those first two days, under the law you could lose much more

For both types of cards, industry practices may further limit your losses, so check with your card issuer.

Also take steps to guard any cards from thieves. Never provide any numbers in response to an unsolicited phone call, e-mail, text message or other communication you didn't originate. Immediately review your statement for unauthorized transactions. American Trust & Savings Bank does not recommend using debit cards for online transactions because of identity theft issues.

# Is It Time For Your Financial Checkup?



## *Tips that can help you fine-tune your money management*

It's always a good time to reflect on how you are managing your finances and to consider whether you would benefit from some changes. Here's a checklist of questions and suggestions that can help you better evaluate and meet your goals.

### SAVING

**What are my current short-term and long-term financial goals?** Write them down. They may include paying off a debt, buying a home or a car, or financing a child's college education. "With goals and target dollar amounts in mind, you may be more motivated to save money and achieve your objectives," said Luke W. Reynolds, Chief of the FDIC's Outreach and Program Development Section.

**Can I do better making automatic transfers into savings?** "Arranging for your bank or employer to automatically transfer funds into savings or retirement accounts is a great way to build savings, but don't just set it and forget it," said Keith Ernst, Associate Director of the FDIC's Division of Depositor and Consumer Protection in charge of consumer research. "Ask yourself whether you should increase the amount you are automatically saving."

**Do I have enough money in an emergency savings fund?** The idea is to cover major unexpected expenses or a temporary reduction in income without borrowing money. Figure out how much you would need to pay for, say, three to six months of essential expenses (housing, transportation, medical costs and so on). If you don't have that much money in a savings account, start setting aside what you would need. For anyone struggling to build a "rainy day fund" or reach any major savings target, setting up automatic transfers is a steady way to work toward that goal.

**What about retirement savings?** Start by calculating how much money you will need for retirement, perhaps by using an online estimator. According to the Social Security Administration (SSA), most financial advisors say to aim for a combination of Social Security payments, pensions and personal savings that equal at least 70 percent of your pre-retirement earnings in order to maintain your pre-retirement standard of living. Even if you are just starting out in the working world, look into all your retirement savings options, as they may come with tax savings and employer matches. And, if you are self-employed, find useful information from the IRS at [www.irs.gov/Retirement-Plans/Retirement-Plans-for-Self-Employed-People](http://www.irs.gov/Retirement-Plans/Retirement-Plans-for-Self-Employed-People). To estimate

your Social Security benefits when you retire, you can contact the SSA at **1-800-772-1213** or go to [www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator).

### TAKING PRECAUTIONS

**Am I adequately insured?** Having enough life, health, disability, property and other insurance is essential to protect your finances from a sudden shock. Learn more at [www.insureuonline.org](http://www.insureuonline.org), a Web site from the National Association of Insurance Commissioners. You may find savings on your existing policies by getting updated quotes from your current insurer and comparing them to quotes from at least two other companies.

**Am I prepared financially in case of a fire, flood or other emergency?** In addition to having your most important possessions insured, ask yourself how your most important documents would be saved from ruin. For more information, including how to assemble a preparedness kit if you had only a few moments to evacuate your home, read tips from FEMA – the Federal Emergency Management Agency – at [www.ready.gov](http://www.ready.gov).

**Is the personal information on my computer and/or smartphone properly protected?** Use and automatically update anti-virus software and a firewall to secure your computer. Arrange for your computer or phones to regularly download and install any "patches" (system updates) the manufacturers produce to address security weaknesses. For unlocking your computer and mobile devices and for logging into Web sites and apps, create "strong" IDs and passwords with combinations of upper- and lower-case letters, numbers and symbols that are hard to guess, and then change the passwords regularly.

**Do I have the necessary legal documents for managing my money if I become disabled or when I die?** These may include a "power of attorney" permitting someone else to handle transactions and make decisions on your behalf if you are unable to. And if you haven't already done so, consider consulting with an attorney about creating or updating a will and/or a trust to guide the distribution of your money and property after you die. To learn more, see [www.fdic.gov/consumers/consumer/news/cnsum14/unexpected.html](http://www.fdic.gov/consumers/consumer/news/cnsum14/unexpected.html).

**Am I keeping the right financial records?** When it comes to paper versions of records like old bank statements, credit card bills and receipts, consider keeping only those you may need to protect yourself in the event of, say, a tax audit or a dispute with a merchant or manufacturer. Documents you don't need can be discarded, but shred or otherwise securely destroy records that contain personal information. It's also good to keep a list of your financial accounts and personal documents in one secure place, so that a loved one responsible for your affairs could easily find it. For additional guidance, see our article at [www.fdic.gov/consumers/consumer/news/cnwin1011/financial-records.html](http://www.fdic.gov/consumers/consumer/news/cnwin1011/financial-records.html).

## Have You Met?

**Karen Bentrott** is Assistant Cashier at American Trust and Savings Bank and has been with the bank for 22 years. Her job responsibilities include bookkeeping and teller work at the bank.

Karen is a member of Zion United Church of Christ in Lowden. She and her husband, Rick, have a son Jared and daughter and son-in-law, Stacy and Eric Pedretti. Karen and Rick are also the proud grandparents of Lillian and Caroline Pedretti.



## Keep Us Updated



Give us a call to make sure that we have your current cell phone, home phone number and email address. You can also stop in or email us at [info@atsb-lowden.com](mailto:info@atsb-lowden.com).

You should add [info@atsb-lowden.com](mailto:info@atsb-lowden.com) to your address book and/or your email safe sender list to ensure you receive emails from us. This is especially important if you use an email spam filtering service.

## MARK YOUR CALENDAR



# AMERICAN TRUST & SAVINGS BANK

[www.atsb-lowden.com](http://www.atsb-lowden.com)

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