

Important Dates

OCT.

13

OFFICE CLOSED

Monday - Observing Columbus Day/Indigenous Peoples' Day

OCT.

14

RURAL ECONOMIC DEVELOPMENT SUMMITTuesday - 10:00 AM to 3:00 PM
NIACC Auditorium, Mason City

NOV.

11

OFFICE CLOSED

Tuesday - Observing Veterans Day

NOV.

27

MARKETS & OFFICE CLOSED

Thursday - Observing Thanksgiving Day

Go Paperless!

Reduce Paper Clutter & Files of Printed Documents.

**To access electronic statements:**

1. Contact us and let us know you'd like to set up online access.
2. We will grant you access internally.
3. You can complete setup the next day.

As the leaves begin to turn and the air gets crisp, it's the perfect time to cozy up with a warm drink and take stock of some BIG updates.



Nicole Olson, JD, CFP®
Chief Wealth Management Officer

On July 4, 2025, the One Big Beautiful Bill Act was signed into law - bringing sweeping changes to the tax code that could impact your finances in meaningful ways. We discussed in our last newsletter some of the anticipated changes. Now that the Bill has been passed, we encourage our clients to consider what, if any, impact the changes have on their tax situation.

Whether you're planning for retirement, growing a business, or saving for your family's future, these changes may offer new opportunities to optimize your tax situation. We look forward to discussing these changes with you.

Nicole Olson



**"Someone's sitting in the shade today
because someone planted a tree
a long time ago."**

- Warren Buffett

Team Celebrations



Connie Knuth
Trust Assistant I

We're excited to announce that Connie Knuth has transitioned from her role as Wealth Assistant I to Trust Assistant I. Connie brings a strong background in real estate, which will be an asset to the fiduciary team as she supports our clients with care and expertise. Please join us in congratulating Connie on her new role!



Lindsey Swartwood
Wealth Assistant I

We're pleased to share that Lindsey Swartwood has moved from her role as Trust Operations Specialist I to Wealth Assistant I. Lindsey's experience in trust operations provides a strong foundation for her new position, and she's excited to work more directly with clients.



Cally Peterson
Trust Assistant II

We're thrilled to celebrate Cally's one-year anniversary (again!) with our department, as of August 1st. After previously spending over a year with us, she returned and has now completed another successful year! Her dedication and contributions continue to make a positive impact, and we're lucky to have her back. Here's to many more milestones ahead!

INVESTMENT UPDATE

What's Next for the Federal Reserve: Market Expectations & Impact



Brad Dummett, CFA®
VP, Senior Investment Officer

The Federal Reserve's policy decisions remain under close scrutiny, particularly in light of recent developments:

Recent Activity Recap

- **July 30th Meeting:** The Fed held interest rates steady, though two dissenting members (Waller and Bowman) favored a 25 basis points cut—marking the first dual dissent since 1993.
- **Membership Changes:** Fed Governor Adriana Kugler resigned on August 1st. Stephen Miran has been appointed temporarily to fill her seat, which may introduce a slightly more dovish tilt to the committee until his term expires in January 2026.
- **Political Pressure:** President Trump has persistently criticized the Fed's slow approach to cutting rates. While Powell's term as chair expires in May 2026, he will remain a governor until January 2028.

Market Expectations for the Fed

Looking ahead, markets currently anticipate 2 to 3 rate cuts (each 25 basis points) throughout 2025, beginning as early as September. For 2026, an additional 2 to 3 cuts are expected, with the federal funds rate projected to end near 3.00%.

Impact on the Yield Curve

Rate cuts influence different segments of the yield curve in varied ways. Short-term rates (less than 3 months) typically decline in direct alignment with Fed rate reductions. However, this relationship becomes less linear further out on the curve as economic growth and inflation expectations start to drive rates.

So how will this affect you? Interest rates on short-term investments (money market funds, savings accounts, short-term bonds) will decrease, requiring taking on either more interest or credit risk to maintain today's yields. Mortgage rates, which are more closely linked to 10-year Treasury yields, may decrease if the Fed accelerates rate cuts or if inflation and economic growth slow down. Conversely, mortgage rates might remain high if inflation pressures and economic expansion persist.

Please reach out to any member of our team to discuss how these changes may impact your specific situation.

Shining Together Check out our team's Summer Successes



Associate Investment Executive, Arcon Concepcion earned his Master of Business Administration from the University of Phoenix in June! We're proud to celebrate this incredible milestone with him.



Associate Benefits Advisor, Colleen Mooney & Paraplanner, Ryan Cole (middle) joined members from FCB's Lending Department at the Hancock County Hospital Golf Outing in August.

September Is Life Insurance Awareness Month: Is Your Coverage Keeping Up With Your Life?



Mike Castle, CFP®
VP, Senior Wealth Advisor

Life Insurance Awareness Month is a timely reminder to evaluate one of the most important financial tools available: life insurance. Whether you're starting a family, growing a business, or planning for retirement, life insurance plays a vital role in protecting your loved ones and securing your financial legacy.

Many people put off reviewing their life insurance, assuming their current coverage is "good enough." But life changes – marriage, children, homeownership, career shifts – and your insurance should evolve with you.

Understanding the Basics: Term vs. Permanent Life Insurance:

Life insurance generally falls into two main categories: term and permanent. Each serves a different purpose and offers unique benefits.

Term Life Insurance:

Term life insurance provides coverage for a specific period – typically 10, 20, or 30 years. It's often the most affordable option and is ideal for covering temporary needs such as:

- Income replacement during working years
- Mortgage or debt protection
- Funding children's education

If you pass away during the term, your beneficiaries receive the death benefit. However, if the term expires while you're still living, the policy ends unless renewed or converted.

Key Features:

- Lower initial premiums
- Fixed coverage period
- No cash value accumulation

Permanent Life Insurance:

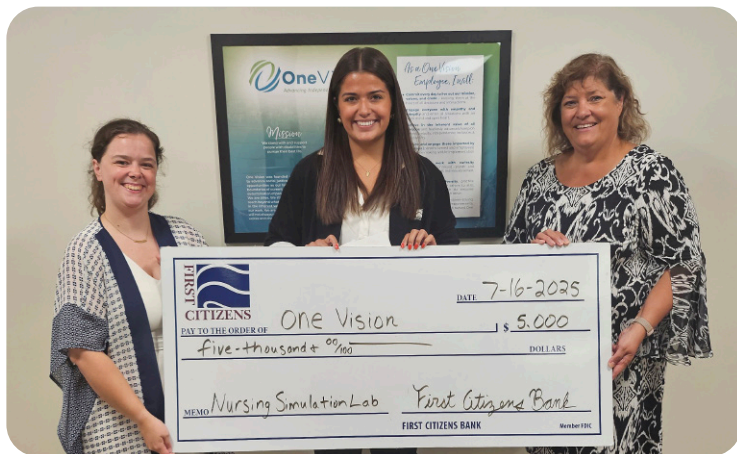
Permanent life insurance provides lifelong coverage and includes a cash value component that may grow over time. There are several types, including whole life, universal life, and variable life, each with different flexibility and investment options. Permanent insurance is often used for:

- Estate planning
- Wealth transfer
- Business succession

Key Features:

- Lifetime coverage
- Wealth transfer
- Can be used as a financial asset

Our team at First Citizens Wealth Management is happy to help evaluate your current situation to determine if adjustments need to be made to your insurance planning.



It was another prosperous summer for the First Citizens Charitable Foundation and the communities we serve. Associate Wealth Advisor I, Gaby Castelán (middle) presented a check for \$5,000 to One Vision in July.



Continuing our charitable initiative, Trust Officer I, Lauren Heuberger (right) presented a check for \$2,500 to the Mercy Medical Center Foundation in July.

"Why is this Taking So Long?"

When a loved one passes away, it's natural for beneficiaries to wonder why settling the estate seems to take so long. While every situation is unique, here's a simplified look at the typical stages of estate administration and why patience is often required.



**Chelsea
Frederick, CTFP**
AVP, Trust Officer

Stage 1: Getting Started

This is the initial phase after a loved one's passing. It involves:

- Meeting with beneficiaries (usually family members), the Executor, and an attorney
- Planning and holding the funeral
- Filing the original Will with the court
- Obtaining the death certificate
- Applying for an Employer Identification Number (EIN) for the estate

This stage is foundational and sets the tone for everything that follows.

Stage 2: Managing the Estate

Once the claim period ends, the estate moves into the next phase:

- Gathering and valuing assets
- Completing appraisals
- Handling any creditor claims
- Distributing specific gifts or bequests
- Preparing for the sale or transfer of remaining assets

This is often the most active part of the process, involving coordination, paperwork, and sometimes emotional decisions.

Stage 3: Wrapping Things Up

In the final stage, the executor focuses on:

- Filing the decedent's personal income tax returns
- Filing the estate tax return (if required)
- Submitting final reports to the court
- Making final distributions to beneficiaries

This phase brings closure, but it can take time depending on the complexity of the estate.

Why It Takes Time

Administering an estate is a detailed and often emotional process. Family dynamics, legal requirements, and financial complexities can all contribute to delays. That's why working with a trusted partner like **First Citizens Bank** can make a big difference. By acting as Executor, we help ease the burden, streamline the process, and ensure a smooth transfer of assets, so families can focus on healing and honoring their loved one's legacy.



WEALTH MANAGEMENT

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