



## IMPORTANT DATES

**JUNE**  
**19** **OFFICE & MARKET CLOSED**  
Wednesday, June 19  
Observing Juneteenth

**JULY**  
**3** **MARKETS CLOSE EARLY**  
**AT 12:00 PM CST**  
Wednesday, July 3

**JULY**  
**4** **OFFICE & MARKET CLOSED**  
Thursday, July 4  
Observing Independence Day

**SEPT**  
**2** **OFFICE & MARKET CLOSED**  
Monday, September 2  
Observing Labor Day

We often discuss the idea of planning, growing, and protecting your legacy across generations with our clients. This idea is core to how we approach everything we do. While it can mean passing on wealth from one generation to another, it means so much more than that.

A legacy is anything handed down from the past. Think values, not just dollars. A legacy is about passing along your family values, traditions, and hopes for the future. Do you want to instill charitable giving in your family? You might consider building a charitable trust or foundation into your plan. Is focusing on education important to you? You may set aside assets in a trust that allows for distributions for education and/or you might establish 529 plans for the next generation. Do you want your children to be good stewards of whatever wealth they have, not just what they might inherit? You might consider creating a structure for use of the wealth, such as a Trust, rather than giving everything outright without restrictions.

Transferring knowledge before wealth builds more confidence in the next generation and creates a stronger likelihood of success. No matter your net worth, you can leave a legacy for your family. When navigating the intricacies of wealth transfer (complex family dynamics, taxes, property titling and transfer, special needs, etc.) it is helpful to have a knowledgeable team in place to guide you. We take a holistic approach, so nothing gets overlooked.

Sincerely, 

## TEAM CELEBRATIONS



Nicole Smith, Wealth Management Administrator, attained a **Bachelor of Science in Business Administration & Accounting** from Western Governors University.

*"Since high school, I have always liked accounting. Through completing my degree, I have gained a deeper understanding of accounting and business administration concepts that I can utilize in my role to equip our team to deliver continuous improvement of internal systems to benefit our clients."*



Paige VanDusseldorp, Associate Wealth Advisor, attained her **Master's in Family & Consumer Sciences** with a specialization in Family Financial Planning from Iowa State University.

*"This coursework allowed me a deeper understanding of financial planning such as importance, the complexities, and the crucial role we play in our clients' lives."*

..... *Congratulations* to Paige and Nicole! .....

## NEW TEAM MEMBERS



**Gaby Castelan | Wealth Assistant**

Gaby has recently joined our team as a Wealth Assistant. She is a graduate of Luther College with a B.A. in Economics, Management, and Spanish. She was part of the women's soccer team and was on the Student Athlete Advisory Committee. She enjoys watching soccer and being active.



**Keven Goepel | Wealth Assistant**

Keven has recently joined our team as a Wealth Assistant. He is a graduate of Iowa State University with a B.A. in Liberal Studies. He enjoys working out, playing video games, baking, spending time with family/friends and his dog, Bo.

## WELCOME BACK!



**Olivia Brcka | Wealth Management Intern**

We are excited to welcome Olivia Brcka back for her third summer interning with our team. Olivia will start her senior year at Iowa State University majoring in Agricultural & Rural Policy Studies and Political Science. We wish her luck as she prepares to take the LSAT (Law School Admission Test) in June.

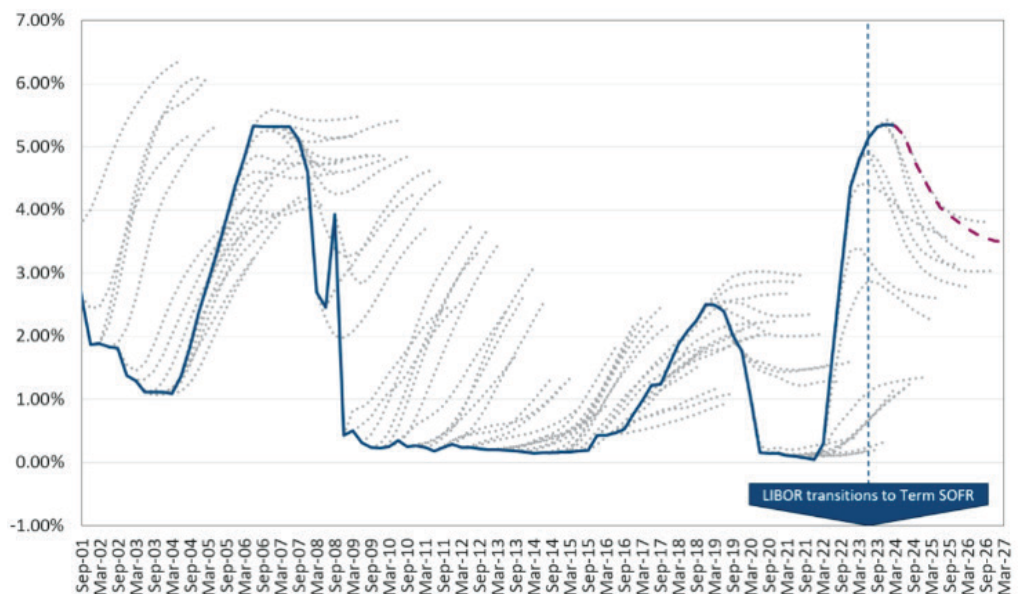
## INVESTMENT UPDATE

### Inflation & Fixed Income Markets



**Brad Dummett, CFA®**  
VP, Senior  
Investment Officer

The Federal Reserve continues to stress patience as inflation slowly trends lower. The latest headline and core (excluding food and energy) consumer price inflation (CPI) readings showed an increase of 0.3%, which was broadly in line with expectations. On an annualized basis, headline inflation increased 3.4% and core increased 3.6%. While this is significant progress after the highs of the pandemic, we are still above the 2% target level set by the Federal Reserve. Given the continued inflation pressures, the Federal Reserve once again held policy rates steady at 5.50% at its May meeting. The latest projections from the Federal Reserve are for three interest rate cuts as we progress through 2024, compared to the current two cuts priced by the market. This is significantly lower than the seven cuts originally projected by the market at the start of 2024. These projections, while a good measure of current views of the market, are historically inaccurate as highlighted by the below chart. The dotted lines represent projections of future rate moves, while the solid line represents the actual path of rates.



Fixed income markets have been challenged as the reduction in rate cuts drove interest rates higher. Year to date, the Barclays Aggregate Bond Index is down 1.97% and has returned an unimpressive 0.07% annually for the last five years. On the other hand, equity markets continue to race higher with the S&P 500 up over 10%, setting a new all time high in the process driven by continued earnings strength as the result of a surprisingly resilient consumer.

Although recent returns for fixed income have been challenging, we continue to believe this is an attractive environment for the asset class going forward. With rates elevated, interest payments are well above recent levels and the potential for capital appreciation should drive returns higher as rate cuts unfold over the next 6-12 months. Equities continue to outperform, but may have overrun fair values. While we do not expect a crash, slower growth is anticipated.

## Planning for Summer Fun and Expenses

As we get to summer (my favorite season of the year!), our Wealth Advisory team has worked to finish up our winter/spring cycle of meetings with clients, and we look forward to spending more time outside in the nice weather. Hopefully this will include finding opportunities to meet and socialize with our clients in more informal settings. If you see any of our team out and about this summer, please come up and say hi. We'd love to hear about what you are up to.

Summer also means vacations and traveling. While these are certainly fun activities, expenses can add up quickly if you are not careful. Here are a few easy tips to make sure your summer fun doesn't get in the way of your financial success:

1. **Set Clear Financial Goals:** While this may seem easy and obvious, having a basic budget in place for what your family intends to spend on summer activities can help prioritize those things that should be at the top of your "to-do" list.

2. **Local Activities:** Most communities have a variety of summer activities that are available for free or at a very modest cost. Many people are pleasantly surprised at the things that can be experienced without traveling very far, so get out and explore your local area.

3. **Off-Season Destinations:** Popular winter destinations can be much more affordable and available when visited in the off season. You might have to pack extra sunscreen, but the good deals and smaller crowds can be worth it.

We'd love to hear about your fun summer plans or travel tips! Snap a picture or send a note to us at [wealth@myfcb.bank](mailto:wealth@myfcb.bank). We know our clients are the most fun and look forward to hearing about all the fun you are having this summer. Don't forget the sunscreen!



**Mike Castle, CFP®**  
VP, Senior Wealth  
Advisor

## FIDUCIARY UPDATE

### Financial Future of Your Family

People worry about protecting those they love. One of the best things we get to do as Trust Officers is help families let go of that worry. By working with them and their trusted advisors, we can put in place a plan we can carry out long after they are gone. While we know not everyone needs a Trust, we know there are more families that would benefit from some type of Trust than those that have one in place. Each need for a Trust is unique. Our team has experience planning, establishing, and administering Trusts of all types.

So, what can a Trust accomplish? Some of the main ways we see Trusts benefiting families include:

- Avoiding probate administration, attorney fees and Court costs.
- Directing wealth distribution to heirs seamlessly.
- Protecting beneficiaries from Creditors.

- Ensuring oversight of transition of wealth to beneficiaries that are not equipped to handle significant wealth without guidance and oversight.
- Providing for needs in case of illness or incapacity without the delay and cost of a Conservatorship or limitations of utilizing a Power of Attorney.
- Reducing potential estate tax liability.
- Transitioning a family business or farmland to the next generation.
- Providing tax-efficient gifts to charity.

When you couple a Trust with a professional Trustee, like FCB, you can let go of the worry you may feel about the financial future of your family. Our team is always available to discuss your estate planning questions.



**Chelsea Frederick, CTFA**  
AVP, Trust Officer

## LEGACY

Planting seeds in a garden you never get to see.



## GO PAPERLESS.

Reduce Paper Clutter  
& Files of Printed Documents.



Sign up to enjoy access to the benefits of  
**Trust Services Online:**

- Account activity
- Account statements
- Portfolio details
- Exports to Excel or PDF
- Tax documents

To access electronic statements, contact us to **GO PAPERLESS.**

### OPERATIONS UPDATE

#### Form 5498 for IRA

Each May, accountholders with an IRA receive a form 5498. Below is an overview of what a 5498 is and where clients can find a copy of the form.



**Amanda Berding, ATOP**  
AVP, Trust Operations Officer

#### What does 5498 do?

- Reports prior year IRA contribution amounts.
- Provides Fair Market Value ("FMV") of account prior year end (2023).
- Provides FMV of certain specified assets (when applicable).
- Provides Required Minimum Distribution ("RMD") date and amount (if box 11 is checked an RMD is due in current year).

#### What does a client need to do with form(s)?

- Nothing. The 5498 form provided is informational for their records. We submit the information to the IRS on their behalf. Clients should note if an RMD is due in 2024, the information listed will not reflect distributions already taken in 2024. Make sure to discuss with us if you have not scheduled your 2024 RMD.

#### Where can 5498 Forms be found?

- If you lose the mailed form, don't hesitate to contact us for a copy.
- If you are signed up for electronic statements, your tax documents can also be found in the Accunet Portal under the files tab (same as statements).

If you have any questions, please do not hesitate to reach out to us. Thank you.



# WEALTH MANAGEMENT

### CONTACT US

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[wealth@myfcb.bank](mailto:wealth@myfcb.bank)



### WORK ANNIVERSARY



## 5 YEARS

JULY

**Chelsea Frederick, CTFA**  
AVP, Trust Officer

As AVP, Trust Officer, Chelsea leads the Fiduciary Team. She administers accounts, including estates, trusts, foundations, bill pay agencies, farm management agencies and self-directed IRAs. Chelsea serves on the Trust Administration Committee and recently joined the Northern Lights Alliance for the Homeless Shelters Board.

**Thanks for being a dedicated member of our team, Chelsea!**

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