



# Notes of Interest



## An Interesting Start

By Mike Bock, CEO

The start of 2017 is suggesting an interesting world to come in the area of finance. Actually, it started out in December when the Federal Reserve initiated a quarter percent increase in short-term borrowing along with a suggestion there could be more to follow in 2017. This increase may happen, but the Fed gave us that same impression when they initiated a quarter percent increase in December 2015. Then it took 12 months for the next increase to happen.

Then January brought us a milestone in the stock market with the DOW touching 20,000. We are off to an interesting start. It will be fun to look back when we get to December of this year and see how all things played out.

### Impacting your finances with technology enhancements

While this big market news is interesting on a more global scale, let's look at things we can do to improve our own personal or business financial lives. Dairy State Bank put a number of technology enhancements in place during 2016 that we hope will benefit many of you.

**CardValet** was installed to give you more control over your debit card — control to the point of giving you the ability to turn the card on or off at any time from your mobile phone.

**Mobile banking** has been expanded and offers new features. With Personal Mobile, you can use your mobile phone to take a picture of a check you've received and deposit it from the comfort of your easy chair. It's also been adapted to use on



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## Annual Privacy Notice

Federal law requires us to tell you annually — unless there are no changes — how we collect, share and protect your personal information.

Our privacy policy has not changed.

If you would like to review our policy and practices with respect to your personal information, visit [www.dairystatebank.com](http://www.dairystatebank.com) or request a free copy by calling 715-234-9181.

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Rice Lake  
16 South Main Street  
715-234-9181 • 1-866-436-7158

Birchwood  
124 North Main Street  
715-354-3411

Cumberland  
1405 2nd Avenue  
715-822-8316

Haugen  
103 Third Street  
715-234-7006

Prairie Farm  
100 Hepburn Street East  
715-455-1339

Turtle Lake  
640 US Hwy 8  
715-986-4181

Menomonie  
2405 Schneider Avenue  
715-235-5511 • 1-888-235-5511

Menomonie  
600 Second Street  
715-235-6983

Bloomer  
1311 14th Avenue  
715-568-9480

Colfax  
101 South Main Street  
715-962-3577

Downsville  
E4491 County Road C  
715-664-8711

Wheeler  
100 South Hwy 25  
715-632-2441

# Hiring the Right Contractor

Wisconsin's home improvement laws protect consumers contracting for improvements including:

Basements	Patios/decks
Sidewalks	Swimming pools
Driveways	Home alarm systems
Porches	Landscaping
Terraces	Water softeners
Garages	Floor coverings
Heating	Air conditioning

## Tips for hiring contractors

Most contractors involved in home improvements are honest, reliable and skilled, but some are not. Here are suggestions on how to find good contractors:

- Decide, in advance, what the job will involve. Draw sketches and clip pictures to show to prospective contractors.
- Get more than one estimate. Make sure all contractors are bidding on exactly the same work. Make sure the contractor comes to the job site rather than giving a telephone estimate. Be leery of an extremely low estimate.
- Ask for the names of the contractor's recent customers and call to see if they are satisfied. Did the contractor show up on time, clean up afterward, and follow through with their warranties? Would they hire the contractor again?
- Get a contract. For the protection of both you and the contractor, it is wise to request a written contract in all situations.
- Know the Right to Cure Law. Contractors must provide consumers with a brochure

that describes the requirements for making future claims about construction defects. The law provides timetables and other steps to help consumers and contractors resolve disputes.

- Contact the Bureau of Consumer Protection, (800) 422-7128 or (608) 224-4976, and the Better Business Bureau, (800) 273-1002 or (414)

847-6000, to find out if complaints have been filed against the contractor.

For more details on all of these tips, visit the Wisconsin Department of Agriculture, Trade and Consumer Protection website, <https://datcp.wi.gov>, and search for Consumer Fact Sheets. ➤

## Buying, Building or Remodeling: What's Right for You?

Whether you've spent the winter dreaming of building a new home or remodeling an existing one, Dairy State Bank offers several financing options to help you reach your goals.

### New homes

If you're building, buying or refinancing, our mortgage lenders will work with you to determine the best package for your lifestyle:

- 10-year to 30-year fixed rate loans
- 5-year adjustable rate loans (up to 30-year amortization)
- 12-month construction loans (up to 80 percent loan to value)

For current rates, go to [www.dairystatebank.com](http://www.dairystatebank.com) and click on Check Rates in the Mortgage Center. From the Mortgage Center, you can complete an application anytime, from the comfort of your own home!

### Renovations

Love your home but want to update, add on or fix some

problems? Our mortgage lenders can help there, too:

- A home equity loan allows you to use the equity in your home to borrow a predetermined amount of money for your project.
- A home equity line of credit (HELOC) gives you a little more flexibility. You're given a credit limit and can withdraw funds as you need them. Principal payments go back to the line of credit and you can use that money again until the line of credit expires.

Call or stop by to visit with a lender who can help determine the best plan for you. ➤



## Partnering with Our Local Businesses

As a community bank, a primary focus for Dairy State Bank is to help our local businesses grow and succeed. Running a business can be challenging, and having a lender who understands your business can make all the difference. We take the time to do just that. **Since decisions are made locally, we can help you move quickly.**



Depending on your business goals, we offer several financing options. Visit with a business lender to find out which is best for you:

- **Commercial Real Estate** — Loans to help you purchase property, renovate current facilities or finance commercial construction projects.
- **Agricultural Real Estate** — Loans to acquire land, expand or update facilities, or finance construction projects.
- **Equipment and Personal Property** — Available to all types of businesses, this type of loan allows you to finance purchases of office equipment, manufacturing equipment, farming equipment, seed, livestock and more. Specialized financing is also available.
- **Lines of Credit** — Unlike a traditional “term” loan, a line of credit allows you access to just the cash you need, when you need it, to meet short-term credit and operating needs. Principal payments are applied to your available credit for future use.
- **Small Business Administration Loans** — Short and long-term loan programs are available when partnering with the Small Business Administration.
- **Refinancing** — If you already have a loan program with Dairy State Bank, it’s a good idea to touch base with your lender annually to ensure we’re helping you meet your current goals.
- **Letters of Credit** — We offer letters of credit which are commonly required by suppliers, vendors and government agencies to guarantee performance of payment.

### Streamlining Financial Management

**Business Online Banking** enables you to stretch your time and resources by doing so much more from your office — view account balances, transactions and history; download transaction information to QuickBooks or Quicken; transfer funds and more. Online banking customers are eligible to enroll in services like Bill Pay, Remote Deposit, Remote Remittance and ACH. Plus, our new Business Mobile Banking app for Android and iPhone allows you to use many of these services from your smartphone.

Visit our website and watch the video tutorials titled “Online Banking Personal” or “Mobile Banking Personal” to learn more. ▶

## Tips for Ensuring Tax Refunds are Correctly Direct Deposited

Tax season is upon us and, hopefully, a refund is in your future. If you plan to have your 2016 tax refund direct-deposited into your account at Dairy State Bank, please be sure to verify the bank account information that you submit with your tax return.

### Three things to verify

There are three details that must be correct to get your refund:

1. Your account number
2. The bank routing number
3. Whether your account is a checking or savings account (a Money Market account is considered a checking account)

If any of this information is not correct, your refund may end up back with the IRS rather than in your account.

### Delayed but not lost

While you will still be entitled to the refund, the time it will take to get your refund into your wallet will be extended.

So, please, be sure your tax preparer has the correct information before filing. ▶

# Misplaced Your Debit Card? Don't Panic — CardValet's Got This

Your heart falls into your shoes and your mouth goes dry. That's how many of us feel when we open our wallet to find our debit card missing. "Was it stolen or did I just misplace it," you think. After hours of rifling through your purse, coat pockets, car and home, you give up and make the call to cancel the card. The next day you find it wedged between the seat and console in your car — the one place you didn't check.

## Preventing fraud

**CardValet** puts an end to all that worry and, more importantly, valuable time wasted searching for the card if, in fact, it is stolen.



**CardValet** is a free mobile app that allows you to use your smartphone to protect your account and control your card's usage.

## On/off setting

When the card is "on," transactions are allowed. When the card is "off," no purchases or withdrawals are approved until the card is turned back "on." This control can be used to disable a lost or stolen card, or simply as an extra safety measure when you don't plan to use your card for a while.

## Location-based controls

The My Location control can restrict transactions to merchants located within a certain range of each cardholder's location (using the phone's GPS). Transactions requested outside of the specified range can be declined.

## Usage controls

Establish spending limits to allow transactions up to a certain dollar value and decline transactions when amounts exceed that value. Transactions also can be monitored or controlled for specific merchant categories, such as fuel, hotel, travel, dining, grocery or online.

## Interactive alerts

Receive real-time alerts when a card is used, when a transaction is approved and exceeds any of the permitted use policies, or when a card transaction has been attempted but is declined.

## Parental controls

If you have a debit card for your child, **CardValet** helps you monitor and control his/her spending with location-based controls, usage controls and interactive alerts.

## Easy to use

Visit [www.dairystatebank.com](http://www.dairystatebank.com) to watch a video that explains how **CardValet** works, or if you'd prefer, stop by your local bank to learn more. Then download the app from the App Store or Google Play. ▶



## CardValet Helps Control Employee Spending

When you're running a business, time is money. Dairy State Bank can help you save both with **CardValet**.

Debit cards are a great tool for you and your employees to pay for meals, fuel and last-minute supplies without all the extra paperwork. **CardValet** can ensure employee spending stays in check.

This free mobile app lets owners and managers decide



where, when and how your employees use their debit card. You can set spending limits for general use or

specify thresholds by merchant types, such as gas stations, restaurants or office supply stores. You can also establish controls by location. It's easy to change spending controls anytime using your mobile device.

Visit [www.dairystatebank.com](http://www.dairystatebank.com) to learn more. ▶

# Take Charge of Your Health Care with an HSA

Opening a Health Savings Account could be one of the most important financial decisions you make this year.

If you have a high deductible health plan (HDHP), an HSA allows you to save tax-free dollars to use for out-of-pocket expenses, such



as eye glasses, braces, hearing aids, acupuncture treatments and many other health-related products and services allowed by the IRS. Your HSA is also an excellent way to save for retirement as the money in your account continues to grow tax-free\*, year after year.

## Other benefits include:

- Freedom of choice over your health care decisions
- Long-term savings
- Tax savings
- Interest earnings
- Stays with you – fully portable
- After age 65, you can withdraw funds without penalty for nonmedical purposes\*


Your HSA works just like a regular checking account. You can either write a check or use your debit card to pay for qualified medical expenses. Statements can be mailed or viewed online, and you'll receive a year-end report for tax purposes.

### HSA 2017 Limits

Individual.....	\$3,400
Family .....	\$6,750
Catch-up .....	\$1,000
(Age 55 or older)	

Your account features:

- No Minimum Balance
- Free Debit Card
- Free Internet Banking
- Monthly e-Statements
- Earns Interest
- Year-End Report

To open your HSA, call your local Dairy State Bank office. 

\* Distributions taken after age 65 for nonmedical purposes, are subject to ordinary income taxes.

## Good Question!

**Q** I log into my online banking account regularly and I have chosen to register my personal computer. Yet, I continue to be asked a security question. Why?

**A** Every time you are prompted to answer a security question and choose to register your computer, a “cookie” is stored on your hard drive. If left in place, the cookie allows you to bypass the security question for subsequent visits to Online Banking. If your computer continues to prompt an answer to a security question, the cookie is being deleted when you leave Online Banking.

There could be three possible reasons for this:

1. Your laptop is connecting to a wireless network (other than your home network) that was not previously registered. You will need to register every new network you encounter.
2. Your browser is set to delete temporary internet files (including cookies) upon exit. To change this setting, go to the internet options menu, choose general and uncheck this option.
3. You have allowed installation of an “Add-On” or “Extension” that doesn’t allow cookies to be stored on the computer. Unfortunately, there is no way for us to decipher which “Add-On” or “Extension” is causing the problem. The best answer is to call your network provider’s support department to help you correct the problem.

**Q** Does it make a difference to whom I make a memorial check payable to when a family member or loved one passes away?

**A** Yes. To whom the check is made payable determines how the funds are handled. While we cannot advise you on to “whom” checks should be made payable, here are some helpful hints on how checks are handled:

1. Checks made payable to “The Estate of,” “The Family of” or the “Decedent’s Memorial” must be deposited into an estate account or included on a Transfer by Affidavit. If an estate has not been established for the decedent, family members may

**Continued (back page)**

# Balancing Act: Saving for Both Retirement and College

Linda and Peter are worried about their financial future. “We want our one-year-old son to go to college, but we’re concerned that in 17 years, the cost might be more than we can afford,” says Peter. “We also need to save for our retirement,” adds Linda. “Can we reach both goals?”

**Millions of Americans are finding it a struggle to balance the high cost of higher education while saving for their own retirement.** Fortunately, there are steps you can take to help overcome this double-sided planning hurdle.

For example, because Linda and Peter won’t need their money for 17 years, they began investing now and often. Starting a regular investment program long before needing the money can potentially work in their favor due to the benefits of compounding.

They also decided to make the most of their contributions by investing in vehicles offering tax benefits, such as by funneling \$100 each month into a 529 College Savings Plan, which would allow their contributions to benefit from tax-deferred growth and tax-free withdrawals. Meanwhile, they also set aside \$200 a month into an IRA.

## Getting a late start

Sandy and Paul have a different issue. “We don’t want to be a financial burden on our kids when we’re older, so we’ve always opted to max out our 401(k)s and IRAs, which limited the amount left to contribute to a college fund,” says Sandy. “Now our twins are 16, and we’ve only managed to save \$8,000 for their college expenses.”

“Luckily, my parents have helped out by investing \$22,000 in UGMA custodial accounts,” says Paul. “We should be eligible for loans and maybe the girls will receive scholarships. It won’t be easy, but we should be able to get them through college without sacrificing our retirement.”

## Planning is key

If you’re feeling overwhelmed while investing for long-term financial goals, why not create a workable financial plan and begin to invest regularly? Over time, even small sums of money invested could potentially add up. And by all means, don’t forgo investing for your own Golden Years. **After all, there are no retirement scholarships.**

Investing in an IRA has many benefits. For example, assets held in an IRA will not affect your eligibility for financial aid, and if need be, usually you can make

penalty-free withdrawals for qualified higher education expenses.<sup>1</sup> With a traditional IRA, you may benefit from a tax deduction now while your earnings grow tax-deferred. With a Roth IRA, you make contributions with after-tax dollars, but qualified withdrawals will be tax-free.



Brandon M. Olson, CRPC®  
LPL Financial Advisor  
Rice Lake

## Don't go it alone

These are just some ideas for stashing away money for both college and retirement, but don’t make important financial decisions in a vacuum. **Remember that your financial consultant has the experience and the resources to help you evaluate your situation** and may be able to help you maintain your financial equilibrium.



Ben Buehler  
LPL Financial Advisor  
Menomonie

<sup>1</sup>Nonqualified withdrawals may be subject to a 20% withholding and a 10% federal penalty tax in addition to ordinary income tax.

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<b>May lose value.</b>	<b>Not a deposit.</b>
<b>Not insured by any Federal Government Agency.</b>	

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# Caring for Our Communities

Dairy State Bank employees make giving back to our communities a priority throughout the year, but naturally the spirit of giving is stronger during the holiday season. Here are a few projects our employees participated in this past holiday season.

## Dress-Down Fridays

Employees at many of our locations enjoy participating in Dress-Down Fridays for a cause. By paying \$5, they are allowed to wear jeans and Dairy State Bank clothing (or sometimes their favorite team jersey) for the day. The funds are donated to different nonprofits in that community. Our holiday Dress-Down Fridays supported many organizations:

**Bloomer** — Adopted two area children in need through the Bloomer Chamber of Commerce holiday program and also provided grocery gift cards for their families.

**Colfax** — Colfax School District fund for outdoor winter clothing for kids in need.

**Cumberland** — Margaret’s Project Santa to provide gifts and food for families in need.

**Menomonie** — In addition to Dress Down Fridays, Menomonie employees had a chili feed fundraiser and donated all funds to Bridge to Hope.

**Prairie Farm** — Purchased staple food items for the Prairie Farm Food Pantry and gifts for area families in need through a program sponsored by the Prairie Farm Lions Club.

**Rice Lake** — United Way of Rice Lake and purchasing gifts for families at Benjamin’s House Emergency Shelter.

**Turtle Lake** — Lion’s Club SOS Fund to provide gifts and food for families in need.

## Adopting families

**Rice Lake** employees bought gifts for nine families staying at Benjamin’s House Emergency Shelter that serves homeless in Barron County.

## Holiday tree

As part of the Main Street Association, employees at Dairy State Bank in **Rice Lake** hand-crafted ornaments and decorated a Christmas tree (pictured below) that was given to a family in need after the Rice Lake Holiday Parade.

## Veterans Day

Area veterans were invited to attend a free lunch at the **Birchwood** office following the Veterans Day program at the school.

## Gift collections

Our **Haugen** location hosted a collection box for patrons and employees to donate gifts for Operation Santa, sponsored by the Rice Lake Moose Lodge.

The **Colfax** location collected toys and clothing for area children in need.

The **Prairie Farm** location was a collection site for toys and clothing for area families in need chosen by the Prairie Farm Lions Club.

Our **Menomonie** offices hosted Christmas for Kids gift collection boxes for area children in need.



From left, Debbie Conwell, Diane Lihman, Julie Demers and Megan Millerman, along with other Rice Lake employees, hand-crafted ornaments and decorated a Christmas tree that was given to a family in need after the Rice Lake Holiday Parade in December.



16 South Main Street  
Rice Lake, WI 54868



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## CEO's Message *(continued)*

tablets. We now offer Business Mobile, as well, giving business owners and managers the advantage of managing finances from their smartphones, whenever and wherever. For more information on any other technology resources we have available, check out our website at [www.dairystatebank.com](http://www.dairystatebank.com) or stop in and visit with any of our staff.

### Check printing prices

My parting comment may not be as exciting, but also affects your bottom line. During the last year we have seen the cost of checks increase. There are many speculations as to why, but none of them really matter. The fact is they have become more expensive. There are many check styles to choose from, and with more style generally comes a higher cost. So my suggestion is that if you are going to need checks this year, before just turning in the reorder slip and getting the same style you had in the past, check with us to see if there is a more economical choice. We want you to know there are choices and sometimes a different choice can save you some money.

We hope 2017 is a prosperous year for you, both financially and otherwise. We thank you for the opportunity to help with your banking needs. 

## Recognizing Employees

We recently recognized several employees who have reached milestone work anniversaries, and said goodbye to long-standing employees as they retired. Thank you ALL for your years of dedication to DSB customers!

### 10 Years of Service

**Amey Vik**, Customer Service, Rice Lake  
**Kathy Wagner**, Teller/ Customer Service, Colfax

### 20 Years of Service

**Wendy Baumgartner**, Loan Department, Rice Lake

### 40 Years of Service

**Kathy Brown**, Loan Department, Menomonie

### Retirements

**Deb Hemauer**, Teller/ Customer Service, Prairie Farm  
**Trudy Pabst**, Teller, Turtle Lake

### 50 Years of Service

**Sandie Heppner**, Teller, Turtle Lake  
**Deanna Thorson**, (Retired) Rewards Club Coordinator, Menomonie

### Retirements

**Ingrid Anderson**, Teller, Rice Lake, 35 years of service  
**Jean Deutsch**, Receptionist, Menomonie East, 16 years of service  
**Cheryl Ninneman**, Teller/Customer Service, Colfax, 17 years of service  
**Ron Reckin**, Maintenance Technician, Menomonie area, 21 years of service

## Good Question! *(continued)*

want to talk to their attorney for more details.

2. Checks made payable to individual family members must be cashed by that individual or deposited into that individual's account.

If you are unsure whom to make the check payable to, giving cash to the family will allow them to decide how the funds are handled.