

FIRST News

THE FIRST NATIONAL BANK OF NOKOMIS

FIRST NATIONAL BANK OF ARTHUR AYARS BANK STONINGTON NATIONAL BANK

— 5 Star Rating from Bauer Financial —

December

We Appreciate Being Your Bank

2017

Employee Spotlight



Tim Hoehn

Tim Hoehn rejoined the First National Bank of Nokomis on June 1st, 2017, as a Loan Officer. Tim had previously worked at First National Bank of Nokomis for over 2 years before taking a job at another local financial institution for the last 10 years. Tim is a lifelong resident of the Nokomis and Witt areas.

Tim grew up on a grain and livestock farm and is a graduate of Nokomis schools. He is a 1987 graduate of Lincoln Land Community College with an A.A.S. Degree in Accounting and a 1989 graduate of Southern Illinois University at Carbondale with a B.S. Degree in Management. He is also a 1996 graduate of the Midwest School for Community Bankers and a 1999 graduate of the Graduate School of Banking in Madison, WI. He has over 25 years of banking experience.

Tim lives on a grain farm with his son Peyton, who is a freshman at Lincoln Land Community College. He also has 2 daughters: Kaneisha is an Occupational Therapy graduate school student at Rockhurst University in Kan-

sas City, MO and Alexis is a first year nursing student at Southwestern Illinois

Mobile Banking

We are pleased to announce that we have added Mobile Deposit to our bank services. This is a new product that adds another layer of convenience to your banking relationship with FNB. Below are some tips that may assist you when utilizing Mobile Check Deposit.

- Before logging into the Mobile Deposit app, close all other apps running in the background on your mobile phone.
- Sign/Endorse the back of your check, and label it "For Mobile Deposit Only."
- When prompted for the amount, carefully enter the check amount to ensure it matches the amount written on your check.
- Flatten folded or crumpled checks before taking your photos.
- Keep the check within the view finder on the camera screen when capturing your photos.
- Try not to get too much of the areas surrounding the check.
- Take the photos of your check in a well-lit area.
- Place the check on solid dark background before taking the photo of it.

- Keep your phone flat and steady above the check when taking your photos.

- Hold the camera as square to the check as possible to reduce corner to corner skew.

- Make sure that the entire check image is visible and in focus before submitting your deposit.

- No shadows across the check.

- All four corners are visible

- Check is not blurry

- The MICR line (numbers on the bottom of your check) is readable.

Directory

122 W. State St., Nokomis, IL

Telephone 217-563-8311

Toll Free 800-355-8311

Telebank 888-838-2265

Telebank (local) 217-563-2401

www.fnbnokomis.com

Other Locations

106 N. Main St., Moweaqua, IL

Telephone 217-768-3933

Toll Free 888-768-3933

120 W. Progress St., Arthur, IL

Telephone 217-543-3850

Toll Free 888-543-3850

108 East Third St., Stonington, IL

Telephone 217-325-3228

Tax law changes

Despite all the recent talk of tax reform, federal tax law is largely unchanged for 2017, outside of the usual items that are adjusted for inflation each year, such as the standard deduction and the cutoffs of the various federal tax brackets. Certainly not everything is the same, but by and large the federal tax law is relatively stable for this year.

One item that will change is the amount of medical expenses that people age 65 and older can claim, if they itemize deductions instead of taking the standard deduction. For the last several years, those at least 65 years old could claim unreimbursed medical expenses that exceeded 7.5% of adjusted gross income (AGI). But in 2017, that threshold climbs to 10%, which is the cutoff used by the rest of the population.

The biggest tax law change for most of us is at the state level. The State of Illinois increased its income tax rate to 4.95%, effective July 1, 2017, from the previous 3.75% rate. Thus for 2017, an Illinois taxpayer can either blend the tax rates for an effective 4.35% rate for all of 2017, or the taxpayer may assess income for the first half of the year at the lower rate and the second half of the year at the higher rate.

You will likely encounter other tax issues as the end of the year draws near. Contact a tax professional if you have questions specific to your income tax situation.

IRA contributions as we approach year end

As the calendar for 2017 comes to an end, keep in mind options for lowering your tax bill and helping your retirement situation at the same time by making a contribution to an Individual Retirement Account (IRA). Tax rules allow for 2017 contributions to be made as late as April 15, 2018, as long as those contributions are designated as such.

Provided your income for the year is below established limits, a traditional IRA provides for a current-year deduction on your income tax return. Typically, income tax would be due upon distribution

of the funds and penalties could apply if distribution rules are not met.

A Roth IRA allows for tax-free distributions upon reaching age 59 ½, provided that you have held the account for at least five years. Unlike a traditional IRA, there is no upfront tax deduction for Roth IRA contributions. Other restrictions may apply to your specific situation as well. Stop by any of our locations to establish – or add to – your IRA today!

Health Savings Account Summary

In brief, qualifying High Deductible Health Plans from insurance companies meet requirements under the Internal Revenue Code which allow the insured to get a tax deduction for whatever amount is deposited into a Health Savings Account (H.S.A) at a bank or other financial institution. Medical and related expenses can be paid untaxed out of the account.

Some insurance companies offer to handle the H.S.A. as well as the insurance. Most do not. That's where the First National Bank of Nokomis has you covered as we offer Health Savings Accounts.

HSA-qualified health insurance may pay for preventive care before the deductible is met, may have low or no deductible for treatment of accidental injury (usually by an optional accident rider), and cannot pay for other medical treatment, including office visits and prescriptions until after you have paid your deductible, e.g., Copays are not allowed for office visits or prescriptions.

The coverage from the health insurer has nothing to do with the health savings account from the bank except that it is

necessary to buy that type of health insurance plan to be allowed to open such a bank account and take the tax deduction.

It is not necessary to open a health savings account in order to have one of these qualifying *HSA health insurance* plans. This type of plan design may be ideal if you just want a high deductible without copays in order to get a lower premium, even if you cannot take advantage of the tax deduction.

The list of expenses that can be paid for out of the savings account is broader than the covered expenses in the typical **HSA health insurance** plan itself, e.g., dentistry and vision expenses can be paid for out of the savings account.

Depending on medical expenses, the account balance can build up with each annual contribution, tax free. At age 65 you can use the accumulated savings as you wish (after taxes), so it can act as a retirement savings account as well.

This is an excellent tool for those that are self-employed. Contact us today if you have an interest in opening a Health Savings Account.



If your debit card is lost or stolen, please call your local branch during bank hours or
1-800-383-8000 or 1-866-508-2693 after hours.