

Kinderhook State Bank Newsletter

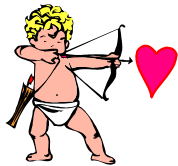


“Serving Our Community Since 1919”

www.kinderhookbank.com

Email: staff@kinderhookbank.com

217-432-8309



Valentine's Day



2004 Legal Holidays Observed

The bank will be closed these dates:

January 1 - New Year's Day

January 19 - M.L. King Jr.

Birthday

February 16 - Presidents Day

May 31 - Memorial Day

July 5 - Independence Day

September 6 - Labor Day

October 11 - Columbus Day

November 11 - Veterans Day

November 25 - Thanksgiving

December 25 - Christmas

Need Ideas for Valentine's Day

For that special Valentine come check out our gift display in the lobby. We have collector coins and jewelry. Our gift selections include a Heart Necklace, Silver Ingot Necklace and Silver Guardian Angel Necklace. For the man in your life we have buffalo nickel, silver eagle, Colorized Silver Eagle, (nickle)

Money Clip, Half Dollar Money Clip and many John Deere collector coins.

These are just a few of the items we have in our coin collection.

If you would like to learn more please let our staff help you.

Quote of the Month

“To handle yourself, use your head.

To handle others use your heart.”

**Donald
Laird**



Extra Extra...

Read all about it.

Keep in mind the Kinderhook State Bank can be your local Newspaper stop. We have a newspaper stand in our lobby.

The papers we have are:

Pike County Express

The Paper

Pike Press

If Your Check Bounces...

Returned Checks are a Hassle!
And they are costly for you!

You're likely to pay a returned check fee to your financial institution and the merchant may charge you a fee for receiving the returned check. To make matters worse, it's

embarrassing! Most of the time you would have to appear in person to make good on the check. In some cases your account is reported to check verification companies, preventing you from writing additional checks at other stores until the “bad check” is cleared up.

A better way to deal with returned checks!

Now there's a new way for retail merchants, billing companies and financial institutions to process NSF checks. The company can now collect an NSF check using the same system that is used for Direct Deposit. This means that instead of trying to re-deposit the paper check or call you on the phone to make good on it, the company simply processes the transaction using the information printed on the bottom of the check. The company can identify the financial institution your check is drawn on and your account number. The company uses the Automated Clearing House (ACH) Network to forward a check to your financial institution. This procedure should quickly clean up honest mistakes made by check writers.

Answers to your Questions

Q. What does it mean if the store has an "electronic re-presentment" policy?

A. If your check is returned unpaid for non-sufficient funds(NSF), the merchant can re-present the check electronically. This means that an electronic check transaction is posted to your account instead of the physical (paper) check.

Q. Who can electronically debit my account for an NSF?

A. Merchants, billers and

financial institutions have the option of debiting your account electronically for checks that have been returned NSF, as long as the proper notice has been provided to you in advance.

Q. What gives the store permission to electronically debit my account?

A. Merchants using electronic check collection are required to provide notice to you before you write your check. As long as this notice is provided, the merchant can process your NSF check electronically.

Q. Can the merchant or billing company add a collection fee and charge my account for the total of the check and the fee?

A. No. The re-presented check entry must be for the face amount of the check only. If using the ACH network, the company may only charge your account for a collection fee if you have provided express written authorization.

Q. What happens to my check, once the electronic check transaction has been paid?

A. The company or its agent keeps your physical check for 90

days, and a copy is kept for seven years.

Q. What do I do if there's an error on my account statement?

A. As always, contact your financial institution as soon as you discover an error on your statement.

Drive Up Tips

Are you tired of waiting in line at the drive-up? We have some tips that may eliminate your wait.

⇒ **Have your account number ready.**

⇒ **Have your deposit slip filled out.**

⇒ **Have your loan number or payment book ready.** If you don't have one but need one, please call the bank.

⇒ **Try to keep transactions to a minimum at the drive-up.**

⇒ **If you have several transactions please use our lobby.**

⇒ **For money orders, licence stickers, tax payments, business deposits, and closing or opening accounts, please use the lobby.**

Remember our lobby is open the same as the drive-up. If everyone does their part, the drive-up will be speedy & convenient for everyone.

Valentines Facts and Fables

Alexander Graham Bell applied for his patent on the telephone, an "Improvement in Telegraphy", on Valentine's Day, 1876.



73% of people who buy flowers for Valentine's Day are men, while only 27% are women.



In the Middle Ages, young men and women drew names from a bowl to see who their valentines would be. They would wear these names on their sleeves for one week. To wear your heart on your sleeve now means that it is easy for other people to know how you are feeling.



JUST A REMINDER

A Farm Seminar will be held at the Kinderhook Lodge February 3rd at 10:00 - 2:00 sponsored by Kinderhook State Banc Insurance & Financial Services. Call Randy at KSBIFS to reserve your upcoming Seminar at **217-432-8388.**

"Why you should consider buying Long-Term Care Insurance?"

Many Americans know that they, their spouse or perhaps their parents may well require long-term care at some point in their life-perhaps for life-either at home or in a long-term care(LTC) facility. And many Americans know that the cost of this care is not cheap. The average annual cost for a nursing home is roughly \$45,000-double that in some areas. The United Seniors Health Cooperative projects that average nursing home costs will double in the next decade. Currently, most people rely on one of two ways to pay the bills: out of their own pockets or out of the government's pockets. Only a small percentage rely on what most experts agree is the best way to pay for long-term care: private insurance.

Here are several reasons why you should strongly consider buying a private policy instead of relying on government support or exhausting your own savings and income.

Treat it like any other type of insurance. You wouldn't think of going without homeowner's, medical, auto or life insurance. Why go without insurance that protects you from the financial devastation of long-term health care?

Don't rely on the kids. Most people don't want to be so poor that they have to rely on their

children, and care-giving is very expensive to the care-giver in terms of lost wages, future benefits and so on. Furthermore, baby boomers have fewer children to rely on for at-home care and children tend to be more scattered than they once were.

Medicare doesn't pick up most of the tab. Many people believe that Medicare will pick up the tab for long-term health care. Medicare pays for limited nursing home care (skilled care for 100 days or less) and limited home health care. It doesn't pay for long term custodial care.

Avoid Medicaid. Medicaid, the federal/State health care program for the poor, will pay up to lifetime for long-term-care, but to qualify for Medicaid, you must have less than \$2000 in financial assets, not counting your home, and income is limited. Your spouse can keep more, but is still severely limited in assets and income.

Also understand that Medicaid doesn't pay all the costs of the nursing home bill that you can't. You will still have to direct any of your income, such as Social Security and pension income, to the nursing home to supplement Medicaid. Furthermore, Medicaid programs are required to recover expenses from the recipient's estate once the recipient dies. That means when your heirs sell your home the profits may go to Medicaid to

help repay the bill.

Don't have to transfer assets.

Some Medicaid experts recommend strategies for people to give away assets to their heirs to deliberately impoverish themselves so they qualify for Medicaid. But most people don't want to transfer assets they will likely need for retirement, nor do they want to intentionally impoverish themselves, out of pride and because of the emotional trauma of poverty.

Better alternatives to nursing homes.

Most people want more options for care alternatives. Most LTC policies pay for at-home care, as well as the increasingly popular assisted living facilities, most of whom don't take Medicaid patients. A policy also will pay for adult day care, respite care, home modifications, and other housing alternatives.

Maximize nursing home choice. Because Medicaid reimburses nursing homes at below the going rate, many nursing homes limit the number of beds available for Medicaid patients, and some don't have any. This may mean a wait to get to an available nursing home, or you may be forced to move farther away from your loved ones just to get a bed.

Maximize quality of care. If you start out as a private-pay patient, and later switch to Medicaid because you have exhausted your financial resources, the nursing home

cannot kick you out. It also technically cannot reduce the quality of care. However, homes frequently transfer Medicaid patients to different rooms (say from a single to a double) or even to a different facility.

If you have any questions or would like further information on purchasing Long-Term Care Insurance with Kinderhook State Banc Insurance & Financial Services please feel free to call Randy at 217-432-8388.



Hearts



To a beloved, there is no symbol as important as the heart. To give someone one's heart means to give to him or her one's whole being, for the heart is at the center of one's existence. The heart stands for the most profound and noblest of human emotions—that of love. Through ages, it has inspired millions to rise above the mundane cares and to get lost in the thought of their beloved. Thus a heart, pierced by the cupid's arrow, has become the most famous of the valentine's symbols.



Debit Card Users

Wal-Mart announces as of February 2004 it will **no longer accept MasterCard Signature Debit Cards**, citing higher transaction fees when compared to other debit cards. "The fees charged by MasterCard for its signature are simply too high, which led Wal-mart to eliminate this payment option rather than pass these transaction fees on to their customers. **Most customers who use the MasterCard signature debit card will still be able to use that card as a PIN-based transaction.** In addition, since MasterCard signature debit cards are tied to a bank account, customers have the option of writing a check. Wal-mart will continue to accept MasterCard credit cards. Additionally, all other forms of payment currently accepted by the retailer will remain in affect. If you have a debit card with Kinderhook State Bank and would like to use it at Wal-mart you must have your PIN number. We can order a new PIN number if you have misplaced or forgotten your old number.



**Happy Valentines Day
from the staff at
Kinderhook State Bank**