



## Bankers & Biscuits

On Thursday, March 27<sup>th</sup>, plan on stopping in the bank between 9:30 a.m. and 10:30 a.m. to enjoy some coffee, treats, and bankers, in the lower-level meeting room.

We are planning on an informal social gathering, so come and go as you please. Our top-notch bankers will be available to answer any banking-related questions you may have.

## Community Shred Day

It's time to lighten your load! We will have an industrial shredder on site, Saturday, April 12<sup>th</sup>, 9 a.m. to 11 a.m., for destruction of your sensitive documents.

We will be set up in the upper parking lot and will have people available to assist with lifting. We ask that you bring no more than one tote per person. You *do not* need to remove staples or paperclips.



## Daylight Saving Time

It is that time of year again where we “spring” ahead one hour.

Daylight Saving Time (DST) was first proposed by Benjamin Franklin in 1784 as a way to conserve energy, but it wasn't seriously considered until the early 20th century. In 1908, Canada became the first country to implement DST in select cities. Germany and Austria-Hungary formally adopted it in 1916 during World War I to save fuel. The United States followed in 1918, but the practice was inconsistent until the Uniform Time Act of 1966 established standard rules.



During the 1970s energy crisis, DST was extended to further reduce electricity use. Today, many countries adjust their clocks forward in the spring and back in the fall, though some regions, including Arizona and Hawaii, opt out. Supporters argue it conserves energy and extends daylight hours, while critics question its effectiveness and impact on health. The debate over DST continues, with discussions on whether it should be abolished or kept year-round.



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### Upcoming Events

**March 9<sup>th</sup>**, Daylight Saving Time begins, spring ahead one hour.

**March 27<sup>th</sup>**, Bankers & Biscuits, 9:30 to 10:30 a.m. Bank Lower-Level Meeting Room.

**April 4<sup>th</sup>**, MVL Community Theatre presents “Calendar Girls”

**April 12<sup>th</sup>**, Community Shred Day, 9 a.m. to 11 a.m., at the upper bank parking lot.

**April 15<sup>th</sup>**, Last day to make a 2024 IRA or ROTH IRA contribution.

**April 26<sup>th</sup>**, Mount Vernon Cleanup Day

**May 3<sup>rd</sup> & 4<sup>th</sup>**, Mount Vernon's Chalk the Walk

For more information on community events, go to [visitmvl.com](http://visitmvl.com).

# Advantages of Traditional and Roth IRAs

As retirement approaches, individuals over 50, that have earned income, have unique financial opportunities to enhance their savings. Traditional and Roth IRAs provide significant advantages, helping individuals secure their financial future. Understanding their benefits can help in making informed investment decisions.



## Traditional IRA Benefits

A **Traditional IRA** allows tax-deferred growth, meaning contributions reduce taxable income for the year, and taxes are paid only upon withdrawal. This is especially beneficial for individuals in higher tax brackets who expect to be in a lower tax bracket during retirement.

For those over 50, the **catch-up contribution** allows an additional **\$1,000 per year** beyond the standard contribution limit. In 2024, this means individuals can contribute up to **\$8,000 annually**. This higher limit helps older savers maximize their retirement funds in a shorter time frame.

Another key benefit is the ability to roll over funds from 401(k) plans, consolidating retirement savings in one account. This can simplify financial management and investment strategies. However, **Required Minimum Distributions (RMDs)** begin at age 73, meaning withdrawals must start, potentially impacting tax liabilities.

## Roth IRA Benefits

A **Roth IRA** offers tax-free withdrawals in retirement since contributions are made with after-tax dollars. This can be advantageous for individuals expecting to be in a higher tax bracket later or seeking to minimize future taxable income.

Unlike Traditional IRAs, **Roth IRAs have no RMDs**, allowing funds to grow tax-free indefinitely. This feature provides greater flexibility, making it an excellent tool for wealth transfer or estate planning.

The same **\$1,000 catch-up contribution** applies, allowing contributions up to **\$8,000 per year** for those over 50. While contributions are not tax-deductible, tax-free growth and withdrawals can lead to significant long-term benefits.

## Which IRA is Best?

Choosing between a **Traditional** and **Roth IRA** depends on financial goals and tax considerations. Those seeking immediate tax deductions may favor a **Traditional IRA**, while individuals looking for tax-free withdrawals and no RMDs may prefer a **Roth IRA**. Some may benefit from a mix of both.

Consulting a tax advisor can help determine the best strategy to optimize retirement savings and ensure long-term financial security. The deadline for 2024 contributions is Tuesday, April 15, 2025.