


# bank notes



a quarterly newsletter of what matters most.  SALISBURY BANK | enriching.

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## from the CEO



CEO, John F. Perotti

How can I write the CEO letter for our first issue of 2008 and NOT base it on New Year's resolutions? Well, it's no surprise that the most

common New Year's resolutions are things we do in order to make our lives more enriching. And hey, that's what Salisbury Bank is here to help you do. Ok, ready for 2008 Salisbury style? Drum roll please...

**1. Spend more time with family and friends** - If you don't already use our Online Banking and Bill Pay service, ask us about it or go to [www.salisburybank.com](http://www.salisburybank.com) to learn more. You'll be surprised how easy it is to use as well as how rewarding it is to turn free time into quality time.

**2. Fit in fitness** - Join me for this summer's Annual Harlem Valley Rail Ride or one of the many local charity walkathons. We'll stay in shape and help our community at the same time. That's a win win!

**3. Plan for a secure future** - They say life begins at 60. Will you be ready to enjoy it? It's important to plan for your own retirement and it's never too early to start. Find out

*continued on next page*

## A Retirement Savings Plan Can Enrich Your Second Life!

When the first person said that "Life begins at 60," he probably wasn't picturing the twenty-first century, when 60 is the new 40 and we have so many productive, healthy and active years ahead of us. These are wonderful times to be growing older – and it's more important than ever to have a financial plan for retirement. The good news is that by planning ahead, and taking advantage of simple vehicles such as those provided by Salisbury Bank, you can look forward to a full life the "second time around."

### Individuals

Planning for your retirement is a lifelong commitment. We can all come up with reasons to put it off – from lack of time to lack of resources, but it's important to make retirement savings a priority.

While it's never too late, setting up a plan early in your career makes it that much easier to reach your goals. If you're in your 20s and plan to retire in your 60s, your investments have 40 years to grow. According to Choose to Save®, a program of the Employee Benefit Research Institute, if you save \$2,000 per year from age 20 through age 30 and kept the money in an account at a 5% annual return compounded monthly, you'll have \$159,557 at age 65 without saving another dime! Wait until you are 40 to start, and even if you invest \$2,000 a year every year to age 65, you'll only have \$99,254!

### Choosing investment vehicles

The easiest way to fund a retirement plan is to take advantage of any automatic enrollment programs offered by your



employer, such as a 401(k) or 403(b) plan. Many employers offer matching funds, up to a set limit, and it makes good financial sense to contribute up to the limit of the employer's match. Why leave money in their pocket when it could be in your retirement account?

In the event you change jobs, resist the impulse to take the money out of your 401(k) plan. You'll take a big tax hit – and lose up to 40 years of accumulated interest! Instead do a trustee-to-trustee transfer to a Traditional IRA or your new employer's 401(k) plan.

Once you meet that threshold, your investment opportunities open up. You may contribute to a tax-advantaged retirement account such as a Traditional IRA (Individual Retirement Account). All earnings on your IRA funds grow tax-deferred until you begin to make withdrawals upon retirement. If you meet government income guidelines, a Roth IRA may be right for you. Roth IRA contributions are made with after-tax dollars, but qualified distributions are tax-free. Always check with your tax advisor regarding the best retirement options for your particular circumstances.

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# from the ceo

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more about individual and small business retirement plans in this issue on page 1. After all, retirement is meant to be enjoyed. You've earned it!

**5. Get organized** - The start of a new year is a great time to organize your finances. Getting married, changing jobs, buying or selling a home or having a child are just some of the reasons you may want to re-examine how you budget, pay off debt, prepare for taxes and plan for your future. A financial makeover will leave you feeling great for 2008.

**6. Learn something new** - Join us in our initiative to learn more about how we can help our environment. Think green when building and remodeling, for instance, and you'll save money as well as our planet! Read more about this on page 4. At Salisbury Bank, we are committed to this effort and are proud to support and participate in the Town of Salisbury's Green initiative. PS: don't forget to recycle this newsletter when you're done with it!

*From all of us here at Salisbury Bank, we hope your new year is happy, healthy and of course more enriching than ever!*

- John F. Perotti,  
Chairman and CEO

think creatively and  
enrich your  
peace  
of mind.

## Renovated Victorian Enriches the Image of Salisbury Bank Customer

When the law firm of Lazan, Glover and Puciloski LLP was ready for a new home, their first choice was a dilapidated Victorian on Main Street in Great Barrington. The building, which formerly housed a restaurant called The Painted Lady, was in need of a complete renovation. Much of the original detail was missing and there were serious cosmetic problems as well.

The partners turned to Salisbury Bank, which had provided the mortgage on their former building, to finance the purchase of the building, and provide a construction loan for the necessary renovations.

According to partner Alex Glover, "The bank was flexible and open-minded and really extended itself. We had already been working with Geof Talcott, Senior Vice President and Chief Lending Officer and he was wonderful."

The relationship was put to the test, says Alex, "When the contractor discovered very serious structural problems that we couldn't have foreseen from the inspection." What had looked like a face-lift suddenly turned into major surgery - with complications. "We were faced with an immediate, unanticipated and very expensive structural repair. We called Geof - and the bank had us a check by the end of the day."

All in all the renovation took six months. The partners felt a commitment to do the job right - after all, this was a well-known and loved building. "It meant a lot to us to restore it," Alex says. "We were thrilled to be able to locate and hire a local Victorian restoration specialist, Lydia Littlefield, who advised us



through the process." This included selecting an authentic color palette for the outside, and recreating the original "aged" oak woodwork for the inside trim.

The result has been well worth all the effort. Not only do people stop Alex on the street and



compliment her on the renovation, the Berkshire Chamber of Commerce has bestowed an award on it for the most improved business exterior.

This was quite an honor, Alex feels, "because the Mahaiwe Theatre was also renovated this year. It was a huge, high profile project - and we tied with them. I'm actually more gratified than if we'd won outright, because it showed how competitive it was."

"This building has been a centerpiece for our business," she notes. "I am not only professionally indebted to the bank but personally grateful. And I'm 100% convinced we have increased our business simply because of this building."



*If your company is looking to put its best face forward in 2008, we can put together the mortgage, construction or renovation loans you need. Call Geof Talcott at 860-435-9801 x 1010.*

# giving back

Salisbury Bank goes back to school  
sponsoring 2 enrichment programs  
for local schools in our community



We love school projects and are proud to sponsor the School Savings Program and the Everyone Wins Program... both of which we hope will help our children enjoy learning in a nurturing and creative way.

## The School Savings Program.

In an age of credit card debt, gift cards and online purchases, we'd like to bring back the lost art of saving. After all, it's never too early to give our children the opportunity to develop healthy financial habits that can last a lifetime.

In a partnership between Salisbury Bank and the elementary schools in our communities, a representative from the Bank visits the school once a week to accept deposits which can be in the form of cash, coin, and/or check. Students receive a receipt with each deposit and a bank statement detailing the account activity every quarter. Our young bankers soon discover that having a savings account is rewarding in more ways than one!

If you would like to add your school to the growing list of participating schools, or if you'd like more information about our program, please call Spring Bagnall at Salisbury Bank, 860-435-9801 x 1064.

## The Everyone Wins Program.

This is a story starring the "Book Buddies", a group of corporate volunteers (including our very own Lana Morrison, Becky Hoysradt, Eileen Lee, Carol Carley, Erin Selby, Randy Cannon and Shelly Humeston) who share lunchtime in the library with a young reader and a great book. The story takes place at the Sharon Center School where the children thrive with personal attention and encouragement.



Shelly Humeston and her "buddy" share lunchtime and a good book. Photo courtesy of Jonathan Doster Photography.

The Everyone Wins Program is proving to be a great success for students and volunteers alike. If you are interested in becoming a "Book Buddy" please call Judy Gafney at 860-364-5153.

We love happy endings but this is just the beginning of what we can do to enrich our lives and the lives of others in our community!

**CLASS  
DISMISSED!**

## A Retirement Savings Plan Can Enrich Your Second Life! ... continued

Once you have everything in place, you'll need a maintenance plan – which requires you to understand the various factors that can affect your plan. That's where our retirement experts come in. Salisbury Bank can help at every stage of retirement planning, from initial planning through funds accumulation and rollovers to actual retirement.

### Small businesses

Did you know that businesses with less than 100 employees create as much as 80 percent of the nation's new jobs every year? Since young people are likely to find themselves working for a small business, it's critical for these businesses to offer retirement plans. Yet according to one survey, only about 45 percent do.

If you're a small business owner, you may feel you can't afford to offer or take advantage of a retirement plan. But it's actually a lot less expensive, and a lot more enriching than you may think. You'll not only be saving for your own future; offering retirement savings options for your employees is an important benefit that can help you attract and retain good people and reduce employee turnover, saving you money in the long-run.

### Choosing investment vehicles

Small businesses can select among a variety of alternative retirement vehicles, which makes it smart to consult with a retirement professional at Salisbury Bank. We can help you sort through such

plans as the Simplified Employee Pension Plan, or SEP, a flexible retirement plan option designed for self-employed individuals and small businesses (it has more generous funding limits – and more flexibility – than the Traditional or Roth IRA). Under a SEP, the employer makes contributions to separate Traditional IRAs set up for each eligible employee.

401(k) plans are also a great way for you and your employees to save for retirement, but 30 percent of employees fail to enroll in these programs. So it was good news when the Department of Labor decided to allow automatic 401(k) enrollment of employees.

### Get started today, and watch your retirement savings grow!

Salisbury Bank offers a variety of individual as well as employee retirement and pension plans, including Traditional IRAs, ROTH IRAs and SEP Plans. Plus our Wealth Advisors in our Trust and Wealth Advisory Division\* are experts at helping you create and maintain a plan. Come by your local branch office, or visit one of our Wealth Advisors to find out how you and your employees can face a brighter future.

*For more information about retirement planning, contact Betsy Summerville, SVP Retail Banking, at 860-435-9801x 1057 or Diane Johnstone, SVP Trust and Wealth Advisory Services at 860-435-9801 x 1501.*

\* Investments through Salisbury Trust Wealth Advisory Services are not FDIC insured - may lose value - not guaranteed by Salisbury Bank and Trust Company.

Partner with  
Salisbury Bank to

## Enrich Your Business' Visibility!

The financial health of our local communities is a priority to Salisbury Bank, and we're always looking for ways to help community-owned businesses "go to market" in their own neighborhoods.

So we're very happy to announce the introduction of our new Business Partner Program. Every month, one of our business customers may put their products and services on display in their local branch office.

In December, the Lakeville branch hosted the Millerton Card & Candy Co. Opened by Robin Helfand in early 2007, the store is located at 28 Main Street in Millerton, NY, across from Millerton Market, Robin's gourmet shop and bakery.

The display gave Robin, a Salisbury Bank customer since 2004, an opportunity to showcase her offerings and connect with potential customers in a relaxed, yet professional environment. It's a win/win situation: Millerton Card & Candy Co. has its products exposed to Salisbury Bank customers, while Bank customers see what they can buy locally.

This is just one of the ways we partner with our business customers to help them promote their products and services. If your business would like to take advantage of this opportunity, contact your branch manager to get on the schedule.

# Building a House? Think Green!

If you're looking for ways to build "green", you're not alone. According to a report by the American Institute of Architects, the number of U.S. cities with green building programs has increased 418% since 2003. Ten percent of all new homes are expected to be green by 2010!

At Salisbury Bank, we believe your desire to be eco-friendly shouldn't cost you a lot of "green". Our attractive mortgage products and some careful planning can help your dream home come to life without straining the environment.

## Consider long-term payback

According to Matt Golden, CEO of San Francisco-based Sustainable Spaces, you can make a dramatic impact on most houses for \$5,000 to \$8,000. While that may seem like a significant up-front investment, energy-saving materials often save you money over time. And new construction is the best time to incorporate these choices. The key is to opt for those that make the biggest difference. Here are a few ideas:

## Take advantage of incentives

Power companies often offer rebate programs for alternative energy sources. ENERGY STAR partners occasionally sponsor special offers, such as tax exemptions or credits, or rebates on qualified products. Find out more at [energystar.gov](http://energystar.gov).

## Curb energy usage

"Energy miser" appliances may cost more up front but they pay you back in lower utility bills – which is especially important with the price of oil topping \$100 a barrel! Find a "carbon footprint" calculator, and lots of helpful info, including information on the LEED® Green Building Rating System™, at [greenhomeguide.org](http://greenhomeguide.org).

## Use "green" building materials

Fortunately, today's homebuilders offer more eco-friendly options than ever. Ideally, you should shop locally to save the fuel and emissions of long-distance shipping. But if you can't, you'll find what you need

online. [Buildinggreen.com](http://Buildinggreen.com) lists product descriptions for over 2,100 environmentally preferable products. [Greendepot.com](http://Greendepot.com) provides educational information and "green" products. [Natureneutral.com](http://Natureneutral.com) is a source for verified "green" building products delivering to the Eastern Seaboard.

## Recycle!

If you're doing demolition, you can "repurpose" everything from beams to concrete. Starting from scratch? Check out salvage yards and other sources of recycled materials and architectural objects.

## Salisbury Bank can enrich your plans

Building from scratch is a great opportunity to go green. But it can also be fraught with uncertainty. We understand the unique demands associated with building a new home and our "Blueprint Construction Loan" ensures that you will have personalized service from application to closing,

If you're renovating, you can still make a difference in your environmental impact. Our "Home Makeover Loan" offers flexible, 80% financing on current property value plus the value of improvements rolled into one low cost mortgage.

Working closely with our Mortgage Advisors, you'll soon learn that our knowledge, experience and partnership make us one of the most important members on your crew. Whatever your home dream, we can help "green light" the process.

*For more information about mortgage options, call Amy Raymond, VP Mortgage Origination, at 860-435-9801 x1027.*

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*Bank Notes welcomes reader comments. Please call John F. Perotti, CEO, at 860-435-9801 or email [jp@salisburybank.com](mailto:jp@salisburybank.com) or write to him in care of Salisbury Bank, P.O. Box 1868, Lakeville, CT 06039-1868.*

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