

NORTH ADAMS STATE BANK

WINTER 2011

URSA & CAMP POINT

SMALL ENOUGH TO KNOW YOU –

LARGE ENOUGH TO ACCOMMODATE ALL OF YOUR BANKING NEEDS

VOLUME 7 ISSUE 1

Bank News

North Adams State Bank
Director Norman
McAllister Retires



After serving on the board of directors for North Adams State Bank for 30 years, Norman McAllister has retired. Norman was one of the seven founding directors in 1980 and has continued to help direct the bank since. Most recently he has served as the chairman of the board.

BANK CLOSINGS

Mon. Feb 21 – President's Day
Mon. May 30 – Memorial Day

Leadership is practiced not so much in words as in attitude and in actions. -- Harold Geneen

NOTICE OF CHANGES IN TEMPORARY FDIC INSURANCE COVERAGE FOR NONINTEREST-BEARING TRANSACTION ACCOUNTS

All funds in a "noninterest-bearing transaction account" are insured in full by the Federal Deposit Insurance Corporation from December 31, 2010, through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least \$250,000 available to depositors under the FDIC's general deposit insurance rules.

The term "noninterest-bearing transaction account" includes a traditional checking account or demand deposit account on which the insured depository institution pays no interest. It also includes Interest on Lawyers Trust Accounts ("IOLTAs"). It does *not* include other accounts, such as traditional checking or demand deposit accounts that may earn interest, NOW accounts and money-market deposit accounts.

For more information about temporary FDIC insurance coverage of transaction accounts, visit www.fdic.gov.

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Useless Facts

To make one pound of honey, honey bees must visit two million flowers.

The average loan granted for a pawned item is \$75.

Bingo raises more than \$5 billion every year for charitable organizations in the United States.

Promise only what you can deliver. Then deliver more than you promise. – Anonymous

IRA Information

Rollovers vs. Transfers

You have already started your IRA (Individual Retirement Account) in order to build funds for a comfortable retirement, but there are times that it makes sound financial sense to move those funds from one place to another. Some examples would be: you have relocated to another geographical area, to obtain better rate of return or to consolidate several IRA accounts into one. There are two ways that you can move those funds without having to incur any taxation or penalties. The process of transferring the money is referred to either a rollover or transfer.

Rollover

A rollover is the process where you take receipt of the funds before depositing them into another account. There are rules that must be followed in order for the rollover to be completed correctly. The funds must be deposited into another IRA account within 60 days of the date you receive them. Only one rollover per IRA account is allowed in any given 12 month period. You will have to document the rollover when you file federal taxes even though the rollover is not a taxable transaction. This is due to the trustee or custodian required to report the amount of distribution to the IRS and therefore you must be able to document that you rolled those funds over within the 60 day period. If you are age 70 ½ or older when you take the funds from the IRA you cannot roll over the minimum required distribution for the year.

Transfers

Transfers are another way to move funds from one IRA account to another and it can be somewhat easier than rollover transactions. The funds are moved directly from one trustee to another. The transaction is not reported to the IRS so there is not required documentation to report at the time you file your tax return. There isn't a limit of the number of transfers that you can make in a 12 month period. This can be beneficial when you are transferring funds in certificate of deposits or similar investments where there may be different maturity dates and early withdrawal penalties. As in rollovers you can not transfer your minimum required distribution if you are 70 ½ or older.

Safe Deposit Box Q & A

Safe deposit boxes offer a place to store important items that would be hard to replace while providing privacy and security. Following are a few questions to ask when deciding if a safe deposit box is for you.

What items should you put into a safe deposit box?

Items that should go in to a safe deposit box are items that are hard to replace such as original copies of insurance policies, wills, certificate of deposits, birth, marriage and death certificates. Other items that you may put into a safe deposit box would be valuables worthy of the extra security and privacy such as

special jewelry or other collectibles. Insurance companies may even offer discounts on insurance premiums on the valuables kept in the safe deposit box instead of at home.

What should NOT be kept in a safe deposit box?

Since you are only able to access your safe deposit box during normal bank business hours you should NOT put items in the safe deposit box that you would ever need in an emergency. Those items could be original of a "power of attorney", passports in case of emergency travel, funeral or burial instructions.

Can you arrange for someone else to access my safe deposit box?

Yes. There two different ways. One is to jointly rent your safe deposit box with that other person may it be a spouse, child or other. By having this person as a joint renter they would become sole owner of the box upon your death and could continue to access the box.

The second option is to appoint someone a "deputy" to the box. As a "deputy" that person could access the box the same as a joint renter, but if you die or become incompetent their rights are terminated. Also, you have the right to remove that person as a "deputy" at any time.

Any other way including giving someone a key or having a general power of attorney will not allow that person into the safe deposit box.

Can law enforcement authorities access my safe deposit box without permission?

Local, state or federal law

enforcement agencies need to have a court order to force the safe deposit box open and seize the contents. In non-criminal matters such as a dispute with the IRS or other private party they can “freeze” your assets which effectively put a hold on your bank accounts and safe deposit box until the dispute is resolved. This means that they can not take the items in the box, but at the same time you, the owner of the safe deposit box, can not remove any items from the box.

Can a safe deposit bank be declared “abandoned” and the contents turned over to the government?

The only way the safe deposit box can be declared “abandoned is if the renter does not pay the rental fee for 5 years straight. At that time the items in the box is turned over the state’s unclaimed property office. In order to reclaim the items from the safe deposit box is by contacting that office.

What happens to my safe deposit box if the bank fails?

When a bank fails the FDIC arranges for another institution to take over the branches of the failed bank. When that happens you should be able to conduct business as usual. If the FDIC is unable to find a bank to take over the branches it will contact you and arrange time when you can come remove the contents. This is usually done with a few days after the bank fails.

Does FDIC insurance cover the contents of the safe deposit box if items are damaged or stolen?

No, FDIC only insures deposits in bank accounts at the insured institution. A safe deposit box is strictly a storage space provided by the bank and not a deposit in the bank.

Can I insure the contents of my safe deposit box from damage or theft?

Check with your homeowners or tenants insurance policy to see if it covers the contents in the safe deposit box. Many policies will cover the contents up to a certain dollar amount if they are out of the safe deposit box. If the policy doesn’t cover the items, talk to your insurance agent.

How safe are the contents of the safe deposit box?

Of course nothing is 100% guaranteed from damage or theft, but a safe deposit box provides higher security for those items. Safe deposit boxes are housed inside the bank vault which is highly “resistant” to fire, flood, heat, earthquakes and other disastrous conditions. Since banks and/or bank vaults are equipped with alarms, locks, video cameras and motion sensors they are more secure to robberies than other options for your valuable items. Banks maintain a strict access procedure such as verifying signatures, restricted access to the vault and requiring two keys to open the safe deposit box the opportunity of theft is greatly reduced.

Hopefully this gives you a better understanding of the uses for a safe deposit box and how it could be of service for you. If you have any questions or concerns, please

feel free to stop in and see any one of our friendly staff.

Call it Positive Thinking, Positive Self-Expectancy or Optimism, it Makes Life Better



The New Year is already a few months old, but there are many months left in which to achieve your goals in 2011.

If you want to be the best, business author Denis Waitley recommends "the power of positive self-expectancy."

Positive self-expectancy is the most identifiable quality in a winning personality, Waitley says.

"Winners expect another good day, a promotion, to find a parking space, a productive meeting, and a harmonious family life -- and they usually get them," Waitley says.

He says losers expect frustration, more problems, a dull evening, bad service, and failure. More importantly, they expect to feel bad and get sick.

And they often have accidents. Mental obsessions do have physical manifestations. Negative thinkers tend to become what they

fear and get what they suspect.

Success and winning are very individual things. They include doing your best for others. They involve taking the talent you were born with, and the knowledge and skills you have since developed, and using them fully toward a purpose that makes you feel worthwhile, according to your standards.

"There are two sets of expectations affecting our lives. First are the expectations that others have for you. Then there are the expectations you have for yourself. We all try to rise to the first set, what is expected of us by our bosses, fellow workers and our families," Waitley says.

Behavioral scientists say there is no question that our limitations or our successes are most often based on our own expectations for ourselves. They say you will be what you expect to be.

When you expect the best, you can move toward a better job, financial security, good health, warm friendships and better family relationships.

How to Get Local Business from Online Marketing

Advertising on the Internet is not just for companies with nationwide distribution.

While 89 percent of companies that employ 25 people or less do have Web sites and advertise by email, only 10 percent plan to spend part of their advertising

dollars on social media.

But seven out of 10 consumers say they are more likely to use a local business if it has information available on Facebook or other social media sites.

Having a page on Facebook is a start, but it's not a one-time effort. A business must be able to respond to questions and complaints. And it should watch its reviews. A study by TMP Directional Marketing shows that reviews are important.

The study also showed that nearly 80 percent of users want special offers and promotions. About 74 percent want regular posts about company products and services.

TMP recommends making sure there is correct information about your business in as many places online as you can check, including Google, Yelp, Facebook and Twitter. Some Web searchers are frustrated by the lack of information on small businesses, either there is none or what's there is confusing and disorderly.

Google Places was by far the most popular site for online local searches.

Local Business Spotlight

I Do Bridal

I Do Bridal is a full line bridal and formal gown shop owned and operated by Cherie Shaffer and

her daughter Carol Shaffer. They purchased the business in the fall of 2010.

I Do Bridal offers a huge selection of designer wedding gowns and attire for the whole wedding party including tuxedo rental for the men. They also offer Prom and Homecoming dresses for those special occasions. They will help you to customize your look down to the final accessories including headpieces, jewelry, and shoes. The service doesn't stop there as the professional seamstress will make sure the dresses fit just perfect for your special day.

For more information contact Cherie or Carol at:

I Do Bridal
421 N. 32nd St.
217-224-5721

idobridalshoppe@yahoo.com

Or visit their website at www.idobridalshoppe.com
Store hours Mon-Wed-Fri-Sat
10am-5pm
Tues-Thurs 10am-7pm

