

Business Matters



Business Matters

News & Views for Upper Valley Business

Quick Facts about Small Businesses

Quick Takes

Internet Banking Update

Mascoma Savings Bank has updated its NetTeller internet banking software. Customers have always been able to view electronic scans of the cancelled checks they have written, but now customers can also look at their deposit slips and items deposited with those slips. Checks, money orders, and other forms of remittance are all now viewable online. This service is particularly useful for business customers who need to verify payments made by customers. If you haven't signed up for free access to NetTeller yet, simply visit www.mascomabank.com.

Community Enterprise, continued from inside

- On Seminary Hill in Lebanon, Twin State Sand and Gravel is considering building 27 units of workforce housing. The site is close to the elementary school, and public transportation, and is on city water and sewer.
- Stoney Creek in Wilder is a mixed housing development of garden condos and apartments totaling 58 units, and is nearing completion. It is on the bike path and public transportation, and is walking distance to Dothan Brook School. This attractive project makes efficient use of land at 14 units per acre.
- Dartmouth College is adding 72 units at Sachem Village on Route 10. This project, approved but being appealed, contains multifamily units designed to look like a large traditional house.
- Oak Knoll in Wilder is an "infill" development of 19 apartments in an existing apartment community. This development exemplifies "smart growth" principles of putting housing in existing neighborhoods, on public utilities, and on public transportation.



Dr. Orlando W. Sherwin of Woodstock, Vermont, in one of Vermont's first automobiles (note the #15 license plate).

105 Years ONE MISSION

In 1899, there were only two automobiles registered in Vermont, one each in Burlington and Waterbury. That year also marks the opening of Mascoma Savings Bank in Lebanon, New Hampshire.

Today, 105 years later, there are nearly 700,000 vehicles registered in Vermont. Mascoma Savings Bank features 18 branch offices around the Upper Valley, most of which have drive-through teller windows for added convenience. As a mutually owned bank with no shareholders to please, our mission has never wavered: we exist to serve you, our customers.

888-627-2662 www.mascomabank.com

Photo Courtesy Woodstock Historical Society

It's Your Business

Doing Business with a Mascoma Business Team

Case Study: Resource Systems Group

Many businesses and organizations use multiple banks to meet their varied financial needs. Perhaps they use one bank for deposit products because it's local and convenient for making frequent deposits, but they use another institution for loans and lines of credit because of more competitive rates.

Mascoma Savings Bank is pleased to offer a Business Team Approach to meet your commercial banking needs. In this holistic approach, our Business Development Officers work closely with Commercial Lenders to ensure that a customer receives the best possible deposit and loan products.

Resource Systems Group of White River Junction, Vermont, a transportation and environmental consult-



ing firm that offers planning, analysis, and market research, recently took advantage of Mascoma Savings Bank's Business Team Approach. When RSG contacted Mascoma Savings Bank Loan Officer Dick Jennings to request a line of credit, Dick brought in Carolyn Coker, Vice President Business Development, to explore opportunities for deposit services.

"Many businesses can benefit from deposit services like sweep accounts, internet banking, and direct deposit for payroll," says Coker. "The flexibility of linking a company's line of credit to their deposit accounts can really save a lot of time and money."

When asked why RSG chose Mascoma Savings Bank to provide a total banking relationship, Sue Barrett, RSG's Business Manager, said the choice was clear: "Mascoma Savings Bank not only offered us a net savings of several thousand dollars between additional interest

Deposit services include:

- Sweep accounts
- Internet banking
- Transferring from one account to another
- Lockbox
- ACH activity
- Zero-balance accounts

and lower fees, but also offered a customer satisfaction factor that was lacking in our previous banking relationship. Mascoma Savings Bank came to us with all the forms prepared and our administrative time to initiate the move was minimal."

RSG makes extensive use of online banking, saving them time, money, and aggravation. According to Barrett, "Mascoma Savings Bank puts forth their desire to be the best in customer service and they have achieved that goal."

For more information about developing a complete banking relationship, please contact Carolyn Coker at 802-291-6302.

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A Message from
Stephen Christy



Working Together

I am pleased to present you with the Winter Edition of Business Matters, the Mascoma Savings Bank business newsletter.

Many of you have heard of Check 21, which became law on October 28, 2004. The program eliminates the need for checks to be physically moved from one bank to another. Instead, banks issue and accept substitutes in the form of electronic checks or printouts of scanned checks, similar to the images of cancelled checks you receive each month with your statement from Mascoma Savings Bank. The goal of Check 21 is to allow for faster, safer, and more efficient processing of the millions of checks cut each day in the United States—Mascoma Savings Bank alone currently sends 10,000 checks daily to a Federal processing facility!

For the most part, you will not notice any difference in the way Mascoma Savings Bank processes your checks. But it is important to be aware that since Check 21 cuts down on the time it takes to clear a check, you need to be sure there is enough money in your account at the time you write the check. You can no longer count on several days of float.

We offer many deposit and loan services for our business customers, and I urge you to contact your Business Development Officer or Loan Officer to see how we can help.

Happy New Year.

Stephen Christy
President, Mascoma Savings Bank

Community Enterprise

Workforce Housing Update

In 2001, the Regional Housing Commission released a report for the Upper Valley “commuter-shed,” indicating that the region of 170,000 people was 3,000 housing units short. This imbalance has been rapidly driving up housing prices, and is stressing a strong local economy that has enjoyed a very low unemployment rate. The social cost of this housing shortage is also high, forcing workers to commute longer distances to lower priced housing in outlying communities.

The tide has started to turn, with help from the Upper Valley Housing Coalition and strong support from the local business community and many dedicated volunteers. Mascoma Savings Bank has been involved with the Upper Valley Housing Coalition since its inception in 2001. Greg Kennedy, Vice President for commercial lending at Mascoma Savings Bank, currently serves as the Coalition’s chair.

The Coalition’s Design Review Team has reviewed numerous proposals, and housing that is affordable for the moderate-income worker is coming to the market—where it belongs, close to jobs. Here are just a few examples of housing being built in the Upper Valley:

- Reed Court Condominiums, featuring 24 units on 2.7 acres on Mount Support Road in Lebanon, is a conveniently located “infill” project in an existing neighborhood, close to jobs.
- Emerson Gardens in downtown Lebanon is putting 160 apartments close to public transportation and within walking distance of local restaurants, businesses, and the Carter Community Building. The apartments are designed to be shared by two roommates, each with their own bath. The rent includes heat and an underground parking space.
- Laramie Farm off Maple Street in Enfield is building 72 houses on 22 acres and is leaving 33 acres of undeveloped land near the center of town.
- M&M Equities has proposed a development on Route 4 in Lebanon for 171 units on city water and sewer. This proposal includes a mix of detached houses and townhouses, and is close to the municipal pool and proposed hockey rink.
- The Gile Tract is Twin Pines Housing Trust’s proposal for a project with a minimum of 60 units of mixed income housing. It is located close to the Dartmouth-Hitchcock Medical Center in Hanover.

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Committed to Your Business

Sweep Accounts

Many businesses have high fluctuating balances in a checking account and would like to earn a higher yield on the money when it’s not needed immediately. This is the perfect opportunity to set up a Mascoma Savings Bank sweep account.

Sweep accounts provide daily automatic transfer (“sweeping”) of demand deposit balances into an investment. The primary benefit of this service is that it eliminates non-earning, idle cash balances. The bank and the customer agree on the minimum balance, known as a “target balance,” to be kept in the demand deposit account to cover checks and compensate the bank for services. Balances above that minimum are automatically transferred every night to a short-term investment account, known as a “repurchase agreement.”

According to Carolyn Coker, Vice President Business Development, “Many businesses simply leave idle cash in a low-interest checking account because they know they’ll need it soon, and it’s simply too labor intensive to manually transfer funds back and forth between accounts. Sweep accounts eliminate the labor and ensure your cash is available when needed while maximizing returns on extra funds.”

Seasonal customers can stop the sweep account and then reconnect for \$25. There is no fee for a monthly profitability analysis. For more information, contact Carolyn Coker at 802-291-6302.

Sweep Account Features

- Short-term investment vehicle, providing safe short-term investment for as little as one day;
- Collateralized by securities backed by the full faith and credit of the US government, which allows many non-profit organizations and municipalities to fulfill their fiduciary responsibilities by protecting deposits that are not covered by the FDIC;
- Idle funds are swept into a short-term investment account, maximizing the return on cash balances;
- Minimum balance remains in checking, which provides immediate access to funds to cover checks and expenses;
- Sweeping and investing are done automatically.

CD STATEMENT

Business customers soon will be able to receive their monthly statements on a CD, instead of a paper printout. The CD comes with a built-in viewer, so no additional software is necessary. You will be able to access the text of your monthly statement (and print it out if necessary), images of cancelled checks, and even view images of your deposit slips and the items deposited.

This service is particularly useful for customers with many accounts and who normally receive numerous statements. CD statements are also meant to compliment internet banking, since many customers who use internet banking access Quicken to reconcile their checking accounts, so they may not require a paper statement, just a form of archive.



Carolyn Coker
Vice President,
Business Development Officer