

# Community Strength

A N N U A L R E P O R T 2 0 0 8

 **Biddeford Savings**  
*A whole new equation*



# Leadership Taking the long view

Dear Customer,

We knew 2008 would be a year of change for the bank. We could never have imagined how many changes we would see. One change we anticipated was my retirement, and as a result the Board of Directors chose Charles M. Petersen to join the bank on September 1, 2008. Charles came to the bank with 25 years of banking experience, including the last eight years as President and CEO of a community bank in Vermont.

Another planned change was the renovations to the Main Office to enhance the lobby and customer experience, while improving efficiency and addressing a number of maintenance issues. We are well underway with renovations and are excited about the accomplishments. We even incorporated a geo-thermal design as the primary source of heating and cooling, which we are confident is the right investment for the future.

One change we did not foresee was the current change in the economy. The Bank is weathering the firestorm very well. Our operating income was in line with last year's, and even with a few investment losses our bank ended 2008 profitably and with a Capital Reserve Ratio in excess of 9.00%. And while we hear everyday that banks are not lending, we are pleased to report that we have plenty of money to lend and will continue to work hard to meet the borrowing needs of our customers and the community.

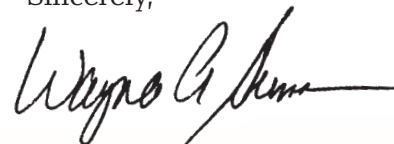


Based on our 2008 performance, we paid a third Mutual Reward of \$117,000 to our customers, bringing the three-year total to \$338,000. In a time when major banks are criticized for giving extravagant bonuses to executives, we can proudly announce that bonuses were paid to our customers. In fact, some customers earned \$1,000 or more. Another important change this year was that Tom Wells was chosen as Chairman of the Board.

He replaced William "Bill" Denyer who was my predecessor as President/CEO. Bill will remain an important member of the Board until his retirement next year. Long time Director Rene D. Roy will retire as of our annual meeting this year. Both men have served the bank with distinction for over 30 years and their guidance will be greatly missed.

It has been a great honor to serve the bank and the community as President of Biddeford Savings and I have been blessed to work with great people. Together I believe we have served our customers and our community well. As a continuing step in the leadership transition, the Board named Charles Petersen as CEO effective January 1, 2009. While these are challenging times, I am pleased to be able to hand over the responsibility of this local institution to someone who I am sure, along with our great staff, will make the bank even more successful in the future.

Sincerely,



**Wayne A. Sherman, President & CEO**



*A whole new equation*

# Neighborhood Banking Stability

**W**hile the past year has seen dramatic changes in our national economy, Biddeford Savings' strong foundation and substantial, secure cash reserves allowed for a profitable 2008 and leave us well positioned for a successful 2009. Biddeford Savings has been growing steadily—and conservatively—with a branch in Waterboro, a new branch in Scarborough and a \$2 million dollar upgrade of our main office that will improve our ability

to serve customers—making the local banking experience that much better.

The effort to build and promote the bank's commercial division is one of many exciting developments of the past year.

The bank has assembled an exceptional team of lenders with



Gervais Dube (left) and A. H. Lewis (center) of Dube-Lewis Properties, with Biddeford Savings' Peter Sylvestre (right).



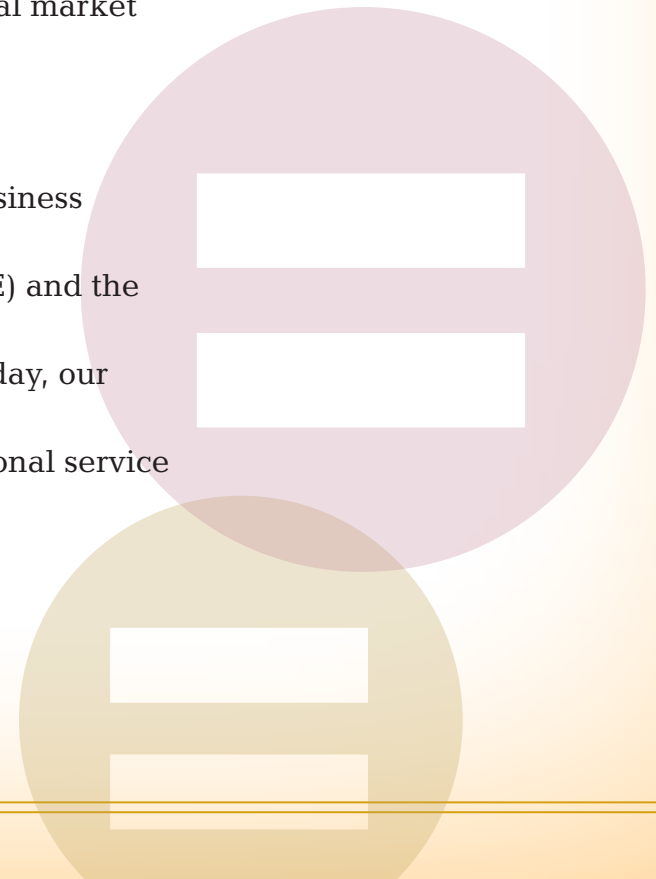
Sharon Seigny (center) and Holly Culloton (right), owners of LaCava, with Chris Bailey of Biddeford Savings

a flexible, personal approach to commercial lending that the corporate giants simply cannot match. Whether customizing a loan

package, offering advice quickly, or sharing their unique understanding of local market conditions, our lenders are always available to help.

Biddeford Savings enjoys an excellent working relationship with the Small Business Administration, and works closely with the Finance Authority of Maine (FAME) and the Federal Home Loan Bank, giving us a range of tools to help local business. Today, our dedication to the same responsible lending practices and locally focused, personal service we have offered for 142 years is a welcome relief.

A healthy  
business  
is built on  
more than a  
bottom line.



# Share the Profits Trust

Sharing  
\$117,000  
in Mutual  
Rewards

**A**t Biddeford Savings, we treat our customers like owners. Perhaps the most compelling example of this is the Mutual Rewards Program. When it's time to pay a year-end bonus, the money goes to the people who deserve it most—our customers. Despite a challenging economic environment, Biddeford Savings had a profitable year—and we are pleased to have shared \$117,000 of the profits with our customers. We continue to write new loans and invest in the people who make our communities strong. Want a bigger piece of the pie? As you open additional accounts—savings

accounts, mortgages, home equity accounts, lines of credit, or money markets—your share of the profits grow. The larger your accounts—the greater your profit share!



Chris Bailey of Biddeford Savings (left) with Mike Dickinson of Dickinson's Candy Factory

## STATEMENT OF CONDITION

December 31, 2008

<b>Assets</b>	<b>2008</b>	<b>2007</b>
Cash on Hand and on Deposit	8,220,904	6,123,797
Federal funds Sold	0	5,000,000
U.S. Governments & Instrumentalities	50,486,802	26,432,308
Other Bonds	11,504,588	11,308,071
Corporate Stock/Mutual Funds	8,792,538	9,590,340
Federal Home Loan Bank Stock	3,962,500	3,079,500
Loans on Mortgages of Real Estate	203,715,649	199,496,269
Other Loans	13,407,647	13,494,819
Premises and Fixed Assets	5,411,966	3,831,319
Other Assets	6,882,983	5,713,447
	<b>312,385,577</b>	<b>284,069,871</b>

### Liabilities and Reserves

Deposits	211,364,019	195,982,737
Other Liabilities	6,117,367	7,497,860
Other borrowed money	66,731,475	51,377,424
Total Liabilities	284,212,861	254,858,022
Net Reserves and Undivided Profits	29,761,625	29,550,994
Other comprehensive income	(1,588,909)	(339,145)
	<b>312,385,577</b>	<b>284,069,871</b>

## INCOME STATEMENT

for the period ended December 31, 2008

Operating Income	17,358,310	16,565,644
Interest Paid	8,893,536	8,542,857
Operating Expenses	7,178,739	6,628,187
Net Income Before Security Gains and Taxes	1,286,035	1,394,600
Security Gains (Losses)	(1,044,632)	1,574
Income Taxes	30,771	434,344
<b>Net Income</b>	<b>210,632</b>	<b>961,830</b>

We donated  
over \$50,000  
in 2008 to  
support our  
communities.



# OFFICERS, DIRECTORS AND CORPORATORS

## Officers

Wayne A. Sherman  
*President / Treasurer*

Charles M. Petersen  
*CEO*

Dale E. Huot  
*Executive Vice President/Clerk*

Peter C. Sylvestre  
*Senior Vice President/Senior Loan Officer*

Maureen E. Weeks  
*Senior Vice President/Sales Manager/Branch Administrator*

Thomas D. Welt  
*Senior Vice President/Assistant Treasurer*

Christopher J. Bailey  
*Vice President/Risk Manager*

Lorina J. Boucouvalas  
*Vice President/Branch Manager/Loan Officer*

Elizabeth D. Boudreau  
*Vice President/Marketing Officer*

Lynn J. Chase  
*Vice President/Comptroller*

Daniel F. Colby  
*Vice President/Commercial Lender*

Richard A. Cress  
*Vice President/Branch Manager/Loan Officer*

Barbara D. Jacques  
*Vice President*

Susan F. Lessard  
*Vice President/Branch Manager/Loan Officer*

Laurie L. Mooney  
*Vice President/Branch Manager/Loan Officer*

Ann T. Coffin  
*Assistant Vice President/Deposit Operations Manager*

Rebecca A. Moulin  
*Assistant Vice President*

J. Elaine Friedman  
*Loan Officer*

Christopher M. Doiron  
*Junior Commercial Lender*

Keith B. Gosselin  
*Information Technology Officer*

Lisa M. Caldwell  
*Assistant Branch Manager/  
Loan Officer*

Nicole M. Dube  
*Assistant Branch Manager/  
Loan Officer*

Gail L. Nason  
*Assistant Branch Manager/  
Loan Officer*

Susan E. Rocray  
*Assistant Branch Manager/  
Loan Officer*

## Directors

Thomas E. Wells  
*Chairman of the Board*

William J. Denyer

Sandra G. Dolby

Carl A. Goodwin

Keith R. Jacques

Joyce Haley Martin

Rene D. Roy

Wayne A. Sherman

## Honorary Directors

Vito M. Mininni, Jr.

Ronald P. Donovan

Reynald J. Gonneville

## Corporators

Todd J. Abbot

Francine A. Anton

Eric C. Aube

Ralph W. Austin, Esq.

Caroline Bean

Margaret G. Beavis

James R. Bernard

Mark Bernstein

Marcel Bertrand

Marc Bolduc

Elizabeth D. Boudreau

Richard J. Busby

Lynn J. Chase

Bernard G. Chretien

Ethan C. Cook

Joan C. Cook

Richard A. Cress

Thomas F. Cummings

William J. Denyer

Michael Dickinson

Sandra G. Dolby

Shawn H. Douston

Denise F. Doyon

Donald M. Dube

Gervais J. Dube

Prudence B. Duross

Michael R. Eon

Frederick R. Fay

Dennis J. Flaherty

Douglas C. Foglio, Jr.

Douglas C. Foglio, Sr.

Judith E. Fox

Gerard Gelinas

Linda C. Gelinas

James M. Godbout

Carl A. Goodwin

Earl A. Goodwin

Michael P. Harriman

Dixie A. Harris

Douglas Hooper

Richard A. Hull III, Esq.

Dale E. Huot

Barbara D. Jacques

Keith R. Jacques

Constance C. Laflamme

Dana E. Lane

Susan F. Lessard

Dr. Marc G. Malon

Jerry Mansfield

Joyce Haley Martin

Edward J. McGeachey, III

Harry J. Nielson

Renee O'Neil

Brenda J. Paquette

Frank G. Paul

Barbara Poirier

Joline L. Pothier

Robert J. Quinn

Michael S. Reilly

Eleanor Rolnick, D.C.

Bruce L. Ruben

James Sandler

Mark A. Sandler

David N. Saunders

Dana L. Sevigny

Wayne A. Sherman

Peter C. Sylvestre

Paulette R. Taschereau

Maureen E. Weeks

Thomas E. Wells

Thomas D. Welt

Janet Whelan, O.D., P.A.

Dean P. Wolfahrt

## Honorary Corporators

Priscilla D. Baillargeon

Ronald E. Brown

Francis R. Carroll, II

Gilbert L. Dominique

Norman R. Faucher

John L. Moore

Carolyn C. Myers

General Wallace Nutting

Richard E. Sweeney

## Locations

**Main Office** 254 Main Street, Biddeford, Maine 04005, 207-284-5906

**Commercial Banking Center**  
234 Main Street  
Biddeford, Maine 04005  
207-284-5906

**Branch Office**  
417 Alfred Street  
Biddeford, Maine 04005  
207-282-8991

**Branch Office**  
Route 202, 846 Main Street  
Waterboro, Maine 04087  
207-247-3031

**Branch Office**  
360 U.S. Route 1, #102  
Scarborough, Maine 04074  
207-883-3004

254 Main Street • Biddeford, ME 04005 • 207-284-5906 • [www.biddefordsavings.com](http://www.biddefordsavings.com)



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*A whole new equation*

MEMBER FDIC  EQUAL HOUSING LENDER