

# Notes of Interest



July 2006

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## CEO Johnson **does more stripping**

David W. Johnson has been involved in many historic restorations. As a member of the Codington County Historical Society board of directors, he volunteered to strip oak woodwork in part of the museum that is in transition. The museum, housed in the old Carnegie Library building, is at the corner of Maple and First Avenue South in Watertown.



The historical society decided to move the office that was built in the 1970s in the east part of the museum, which brought about the need for new carpet and tile flooring. "I just couldn't stand the idea of putting new carpet next to oak woodwork that would be beautiful if someone took the time to refinish it," Johnson said. "It was similar to a situation that came up when my wife, Jan, was on the Estelline Library Board. The library board decided to update carpet and wall coverings, and I got the entire bank staff to help me refinish the woodwork in that 1908 building. This job was much smaller than that, so I just did it myself."

In addition to the Estelline Library, Johnson worked on Reliabank's Hazel bank which was placed on the National Register of Historic Places. Johnson's former residence in Estelline is also on the National Register of Historic Places. He currently lives in Watertown in a home built in 1924 by Watertown philanthropist Frank Bramble.

Before the end of summer, the Codington County Museum will unveil its new look. New permanent exhibits are in the planning stages. In addition, the State Historical Society will feature some of its traveling exhibits at the museum in the coming months.

Make plans to stop at the museum to see the new and exciting changes.

Member FDIC



# Notes of Inte



## Gift Cards & Travel Cards

### Weddings, birthdays, any special occasion

Looking for a gift that is ideal for any of the hard-to-buy-for people in your life? Reliabank offers the *VISA Prepaid Gift Card*. Accepted at millions of VISA merchants worldwide, this card is your guarantee for a worry-free gift.

### Taking a trip this summer?

When you're traveling and don't want to worry about taking along personal checks, Reliabank offers the *VISA Prepaid TravelCard*. It's your ticket to a care-free vacation! Accepted at millions of VISA merchants worldwide, no matter how far away from home you are – we've got you covered. For more information please feel free to call any Reliabank location.

## High-Tech Banking, 24/7

For today's busy lifestyles, it's hard to imagine life without gadgets and high-tech helpers. At Reliabank we want to make sure you know about some of the attractive electronic banking services offered beyond ATMs.

**Internet banking** (online banking) enables you to transfer money between your accounts and view account information, deposits, and loans at any time. Visit [reliabank.com](http://reliabank.com) to see how easy it can be to do your banking anytime/anywhere!

**Internet bill paying** allows you to pay monthly and one-time bills over the Internet. Reliabank offers secured electronic bill payment free for the first six months or, if you maintain a \$5,000 balance at Reliabank, bill pay is absolutely FREE.

**Debit cards** look like credit cards but they automatically withdraw the money you want from your account. You can use a Reliabank Shazam ATM/debit card to get cash from an ATM or to pay for purchases.

**Direct deposit** enables your paycheck and certain other payments to be transmitted automatically to your bank account. "Direct deposit is free and it's fast — there's no waiting for the check to arrive at home and no waiting in the teller lines," says Kathryn Weatherby, an Examination Specialist for the FDIC.

**Telephone banking** allows you to use your touch-tone phone to confirm that a check or deposit has cleared, get your latest balance, transfer money between separate accounts at the same bank, and obtain details about services. Getting real-time information about your account is as easy as picking up the phone and dialing Reliabank's TELE-BANK at 605-882-2424 or toll-free 1-877-250-2112.

**Automatic withdrawals** from your bank account can be arranged free of charge to pay recurring bills (such as phone bills or insurance premiums) or to systematically put a certain amount of money into a savings account, a U.S. Savings Bond, or an investment.

Your banking can be so much more convenient and easier to monitor and control when you have access to your accounts 24 hours a day, seven days a week, from your home or practically anywhere else.



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## Students: log on to **BrainScratch!**

BrainScratch is a packaged student loan program provided to banks and students, and administered by Student Loan Finance Corporation (SLFC), through [www.BrainScratch.com](http://www.BrainScratch.com).



## Updating your **Beneficiary Information**

Updating the beneficiaries on your bank accounts is as important as making sure that your will is current. In either case, you will want your assets to be turned over to the appropriate people at the time of your death. By not giving it attention now, you could be handing over your assets to the wrong people.

If you have established any of your deposit accounts (checking, savings, CD's) with the Payable on Death (POD) option, you would have named specific individuals as the beneficiaries of these accounts in the event of your death. You may want to review the POD forms that you received at the time of establishing that relationship on a regular basis to determine whether they still reflect your wishes or if you need to make changes. Some reasons for making changes are: divorce, death of beneficiary(ies), addition of new family members, or simply a change of heart.

If no changes are made, the bank must comply with the POD forms that are currently in place. Even if you have mentioned it in a conversation to a family member or a banker, the document would dictate who is authorized to receive the proceeds of that account.

Should you decide to update your beneficiary information, please call to set up an appointment with one of our Personal Bankers. They can review your existing beneficiary list, and make any adjustments to it as requested by you. Any POD designation can be modified, whether it is on a deposit account (checking, savings or CD) or on your retirement accounts.



## The golden connections club is on the move...

### **MINNESOTA TWINS VS. CLEVELAND INDIANS**

Thursday, August 17  
Metrodome, Minneapolis, MN

Cost: \$70/GC member; \$75/non-member

Includes transportation, ticket to game and \$10 in Dome Dollars to be used for food during the game. RSVP to Lisa by August 1st at 605-873-2261 or 1-800-525-0399.

### **SINGIN' IN THE RAIN**

Wednesday, September 20  
Chanhassen Dinner Theatre, Chanhassen, MN

Cost: \$85/member; \$90/non-member

This fabulously boisterous musical comedy is based on one of the most popular movie musicals of all time. It's packed with brilliant dance numbers and superb tunes, including "Make 'Em Laugh," "Moses Supposes," "You are My Lucky Star" and the splashy title song - "Singin' in the Rain." This show will have you dancing in the streets! Trip includes transportation, with pick up in Estelline and Watertown, luncheon and matinee performance. RSVP to Lisa by August 15th at 605-873-2261 or 1-800-525-0399.



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# Financial Planning: Protecting Your Most Valuable Assets



Dustin Padgett

In today's litigious society, little more than an honest mistake can result in a hefty liability suit. If you own a business, cars, home or anything of value, your hard-earned assets could potentially be at risk. That's why it's important to take steps to protect the financial security you've worked so hard to attain – ensuring your family's safety and comfort is properly insulated from potential claims.

The following are some examples of how you may be able to protect your assets in case of an unforeseen liability. Of course, it is important to note that these strategies are not intended to evade legitimate creditors; they are simply meant to ensure your family remains safe in the most unpreventable of circumstances.

## Make Sure You're Covered

A coordinated insurance plan is the simplest way to help mitigate unexpected liability costs. Appropriate homeowners, vehicle and professional liability insurance can provide a helpful cushion in the event you become liable for another's accidental injury or property damage. In an extreme scenario when a specific policy may not provide adequate coverage, a well-designed umbrella policy should typically cover additional costs.

## Fund Your Qualified Plan

It is always wise to save for retirement – and in certain instances it may even help protect your assets. Federal law generally prohibits creditors from attaching assets held in qualified retirement plan. Although this does not include alternatives such as IRA's or Simplified Employee Pensions (SEP), many states have laws in place to protect these accounts, as well.

## Protect the Homestead

Some states also deny creditors access to a family's primary residence. However, even in states where this is not the case, certain

strategies may prove equally effective. Titling property under what is known as "tenancy by the entirety" is one way two spouses can protect their domicile. Tenancy by the entirety negates either spouse's right to transfer ownership autonomously, making it exceptionally difficult for a potential creditor to attach the home.

## Relinquish Ownership, Retain Control

Another common asset protection technique involves holding assets under a separate legal entity, such as a partnership. A family limited partnership, for instance, enables you to transfer majority ownership of an asset while retaining operational control. Your heir may then purchase interest in the partnership or you may gift it. As an added benefit, this strategy often produces considerable tax savings when passing your estate to heirs.

## Establish an Asset Protection Trust

There are two types of asset protection trusts – domestic and offshore. Although each operates slightly differently, both trusts provide similar benefits – they help shield assets while allowing the grantor to retain interest in the funds.

The strategies mentioned in this article should never be applied without the appropriate professional guidance, as their proper implementation can be extremely complex. Please give me a call anytime if you wish to discuss steps that may help protect your most valuable assets.

Dustin Padgett

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