

# ANNUAL REPORT 2012



**SEAMEN'S BANK**  
MEMBER FDIC/DIF



*Untitled* watercolor Harry Brown 1929  
Courtesy Provincetown Art Association and Museum

**A**S THE TIDES CONSTANTLY  
CHANGE, SO DOES OUR COMMUNITY.

YET, LIKE THE OCEAN, OUR ESSENCE  
REMAINS THE SAME.



## To Our Community:

As you thumb through the vignettes highlighted in our 2012 Annual Report, you realize that there are constants in change. Our communities lose and gain with every generation yet there are those ideals that remain. Seamen's Bank has held true throughout its 161 years to certain tenets that are core to a mutual bank: keep relationships close and operate under the central belief that our reason for being is to serve the community. That was the purpose of our original charter in 1851 and it is our purpose today. Indeed, mutual banks represent the heart of community banking in that, unlike stock-owned banks, their primary objective is not to provide a monetary return to stockholders but rather a service to the communities where our customers are located. Our decisions are local. We have local management, a local board of trustees, a local focus and local concerns. The results of our decisions, the fruits of our labors, are evidenced on the streets of our towns and in the culture of our community.

Change brings new challenges to community banks and certainly this past year was no exception. Overregulation, precipitated by the economic crisis of 2008-2009, continues to exert a burden on all community banks even though they did not participate in the questionable practices that caused the crisis. Of note is the fact that of all the banks that received government assistance in 2009 in the form of TARP funding, not one was a mutual bank. Additional staff, software, and training costs resulting from this increased regulatory burden, continue to weigh on earnings. Today's historically low interest rates – a benefit to borrowers but a detriment for savers – is also a problem for community banks, adding pressure to interest margins.

Notwithstanding these challenges, I am pleased to report net earnings of \$1,206,000 which allowed us to increase an already solid capital ratio of over 11% that gives us the strength to meet the uncertainties of tomorrow. Steadfast in our conservative banking principles, we continue to build for the future and our communities. We're excited to announce construction of a new Wellfleet Branch Office which will be taking shape during the coming year. Our existing Branch Office, built in the early 1950s, is no longer fully functional as a modern bank. With an eye to the architectural history of Wellfleet, we expect to create a building that not only complements the town but also provides our customers with a state-of-the-art banking facility.

Community involvement is also highlighted by featuring financial tools that are specifically geared to a seasonal economy, by the Seamen's Bank Charitable Foundation which increases its support of non-profit organizations each year, and by the community participation of our employees and board members who live and work here.

Looking back at 161 years of Seamen's Bank history, there are indeed constants in change. Our goals are to secure the continued success of Seamen's with sound banking principles and those community-oriented constants that have served us well for decades.

Respectfully,



John K. Roderick

President



The Jimmy Boy being towed by other members of the fleet

*“If somebody wants a piece of fish, and I can get it for them, I will give it to them.”*

*Joe Roderick*

On Christmas Eve in 1968, Joe Roderick attended Midnight Mass and checked on his boat, F/V Jimmy Boy, before heading to bed. The next day, one of the coldest of the year, his brother Sonny came to tell him that the Jimmy Boy was sunk alongside the wharf.

In frigid weather, townspeople spent Christmas and the days following saving the boat. At the start, it was so cold, the Fire Department's pumps could not work.

With perseverance, the Jimmy Boy was brought to the beach at low tide, drained of water, patched and towed to Flyer's to repair the damage.

Sonny Roderick recalls with a smile how commercial fishermen never told the truth about where they caught their fish; and earnestly recounts many times when the fishermen helped each other, saving lives and livelihoods, giving a hand with an engine repair, or spending an afternoon mending nets.

It was a fleet of men who would pull up to the pier and give anyone on the wharf a fish, and never think twice about coming to your rescue at sea.



*Gear* oil Salvatore Del Deo 1999



Wellfleet School Band 1935, Courtesy Wellfleet Historical Society

Seamen's Long Point Charitable Fund supports a diversity of cultural, health and educational organizations. We are pleased to announce that this year's contributions have once again increased.

**We** are honored to be associated with these worthy groups.

Nauset Regional High School Scholarship Fund  
 Provincetown High School Scholarship Fund  
 Provincetown Center for Coastal Studies  
 Provincetown Art Association  
 Provincetown Portuguese Festival  
 Cape Cod Children's Place  
 Helping Our Women  
 Wellfleet Historical Society  
 Wellfleet Oyster Festival  
 Cape Cod Community College  
 Lower Cape Ambulance  
 Lower Cape Outreach  
 West End Racing Club  
 AIDS Support Group of Cape Cod  
 Pilgrim Monument and Provincetown Museum  
 Provincetown Community TV  
 St. Vincent DePaul Society  
 Provincetown Film Festival  
 Truro Agricultural Fair  
 Truro Historical Society  
 Castle Hill Center for the Arts  
 Cape Cod Hospital  
 Outer Cape Health Services  
 Safe Harbor AIDS Project  
 Community Development Partnership

Fine Arts Work Center  
 Provincetown Schooner Regatta  
 Highland Light and Museum  
 Outer Cape Chorale  
 Seashore Point  
 Truro Educational Enrichment Alliance  
 Truro Concerts on the Green  
 Wellfleet Childcare  
 Wellfleet Harbor Fund  
 Eastham Cultural Council  
 Alzheimer's Services of Cape Cod  
 Housing Assistance of Cape Cod  
 Provincetown Council on Aging  
 Truro Council on Aging  
 Tennessee Williams Theater Festival  
 Lower Cape Lighthouse Lions Club  
 Mass Appeal  
 Nauset Regional High School Project Graduation  
 Truro Fire and Rescue  
 Wellfleet Firemen's Relief  
 Provincetown Lions Club  
 Provincetown Soup Kitchen  
 Carrie Seaman Animal Shelter  
 Hospice of Cape Cod



**Administration**

John K. Roderick, President/CEO  
Lori F. Meads, Vice President

**Treasurer**

Michael K. Silva

**Human Resources**

Laurie Watts-Bumpus,  
Vice President

**Commercial Lending**

Paul T. Garganigo, Vice President  
Nicole Dutra  
Paul P. Garganigo  
Bob Jackson  
Amy Silva

**Consumer Lending**

Mary Rose, Vice President  
Linda Macara, Manager  
Michelle Allmon  
Sam Boleyn  
Dianne Peters  
Eunhee Rothwell  
Barbara Schaible  
Ross Sormani

**Bank Operations**

Jean Leonard, Vice President  
Cheryl Friese,  
Manager  
Elaine Cabral  
Nicole Conrad  
Lynn Costa  
Tim Johnson  
Denise Lisbon  
Peter Roderick  
Arielle Leonard

**Security Officer**

Brian Anderson

**Purchasing**

Teresa Morris

**IT Administration**

Lucas Strakele,  
IT Director  
Michael Andrini

**Compliance/Audit**

Aime Mulligan

**Main Office**

Ann Marie Boni  
Mecka Costa  
James Hüsson-Coté  
Kim Santos  
Dee Lane  
Carole DeStefano  
Amanda Morris  
David Perry  
Sheva Sparks-Russell

**Shank Painter Road Complex**

Rosa Buttrick, Manager  
Everett Halpen  
Christine Lavenets  
Peggy Naqi

**Truro**

Sandra Valentine-Roda, Manager  
Sam Brintnall  
June Hopf  
Janice Roderick  
Stacey White

**Wellfleet**

Jennifer Jones-Kish, Manager  
Bridget Creech  
Vicki Hayes  
Marie Pellegrino  
Robert Reeves

**Eastham**

Colleen O'Duffy-Johnston,  
Business Development Officer  
Sharon Adams  
Louise Couillard-Ziperman  
Nan Davis  
Susan Persbacker



*Morning on Commercial Street* oil Frank Gardner 2012

# “Special care had to be taken”

*Robert F. Silva*

Before he turned 12, Bob Silva could be seen on the street selling popcorn and hawking newspapers. He graduated to work in his father’s sandwich shop, doing anything asked including washing dishes and wrestling the tough parts off scallops. When the passenger boats docked, Bobby ran to the pier and carted luggage for tips. It’s no surprise he went on to own several successful businesses.

For 48 years, Robert Silva oversaw the successful growth of Seamen’s Bank. In addition to serving as the Bank’s Chairman of the Board, Bob was a generous philanthropist and donated vast amounts of his time to community organizations.

To this day, Bob takes pride in the fact that he earned the full 25 cents for each quart of blueberries he sold to the Bonnie Doone Restaurant. You see, Mrs. Cabral didn’t pay full price for just any quart of blueberries; special care had to be taken to discard the green berries, leaves and stems.



Robert F. Silva

It was more than learning the value of money — how many nickels or dimes it took to buy a hot dog, or go to the movies — or how quickly that money would add up in the bank. It was a time of learning responsibility, taking pride in your work and experiencing the rewards of a job well done.

In these contemporary times, it is our good fortune to be surrounded by people who take great pride in what they do, people who act with integrity at work and in their copious volunteer activities.

The rewards we see are renowned art, theater and literature. Top-notch dining, exquisite lodging, unique Cape-made products. A ride to the hospital from someone who was, the day before, a stranger. Clean beaches and hiking trails cleared of storm debris. After-school help because somebody needs it and somebody else can give it.

It is who we are and what we do.



Working at the postcard counter

**Chairman of the Board**

Ernest L. Carreiro, Jr.

**President/CEO**

John K. Roderick

**Clerk of the Corporation**

Paul R. Silva

**Honorary Trustees**

Mylan J. Costa

Mark R. Silva

Robert F. Silva

**Board of Investment**

Ernest L. Carreiro, Jr.

Betsi A. Corea

John E. Medeiros

Paul R. Silva

Paul Souza

**Trustees**

Ernest L. Carreiro, Jr.

Betsi A. Corea

Christopher E. Enos\*

Timothy F. McNulty\*

John E. Medeiros

Donald E. Murphy

Donald Reeves\*

John K. Roderick

Steven E. Roderick\*

Paul R. Silva

Sandra L. Silva

Paul M. Souza

\*Auditors

**Corporators**

Helen Addison

Donna Aliperti

James Bakker

George D. Bryant

Ernest L. Carreiro, Jr.

Betsi A. Corea

Mylan J. Costa

Vincent H. Duarte

Brian Dunne

Christopher E. Enos

James Farley

Matthew Frazier

Kenneth Freed

William A. Gordon

Peter D. Harrigan

Mark Janopolis

Michael Janoplis

Sheila J. Kelley

W. Scott Kerry

Christopher King

Manuel Macara, Jr.

Kate Macaulay

Mary Joy McNulty

Timothy F. McNulty

John E. Medeiros

George M. Mooney

Donald E. Murphy

Stephen R. Perry

Francis S. Peters

Donald R. Reeves

David Roberts

John K. Roderick

Steven E. Roderick

Warren J. Roderick, Jr.

Charles Rogers

Craig Russell

Robert Russell

Jon Salvador

Fred E. Sateriale, III

Daniel J. Silva

Jason Silva

Mark R. Silva

Paul R. Silva

Sandra L. Silva

Paul M. Souza

John Thomas

*“A job  
well done”*



*Main Street in Provincetown* gouache Joseph Kaplan  
 Courtesy Provincetown Art Association and Museum



*Rustic Landscape* oil Paul Burlin  
Courtesy Provincetown Art Association and Museum

*“We always had potatoes.”*  
*Helen Purcell*

While more widely thought of for the waters around us, Cape Codders have an age-old connection to the land.

George and Denis Mooney’s grandfather, George Joseph, began farming in Truro in the mid-1800s. Mr. Joseph delivered milk, eggs, rhubarb and the like from his Oceanside Farm to Provincetown by horse and buggy. In the summer, his route also served the Ballston Beach cottages.

In the early 1920s, Eastham was the asparagus capital of the world and was known for sweet turnips that continue to be highly sought after each autumn.



Oceanside Farm

At the 1932 Truro Agricultural Fair, one could win prizes in the categories of poultry, vegetables, canning, even stocking darning.

During World War II, with the men at war, the stalwart women of Wellfleet took up more of the farming responsibilities. While potatoes began to taste all too repetitive, they filled many an empty stomach during a time of national austerity.



Francie Randolph of the Truro Agricultural Fair  
Photo courtesy Sustainable CAPE  
Photo credit: Maggie Hanelt

For cash, these industrious women canned wild blueberry, cranberry and quince jellies. The train came down the Cape and loaded up canned goods, produce and dairy products in every town to be sold in Boston markets.

Our connection to the land is experiencing increased vivacity among consumers and producers with the resurgence of small farms and the *buy local* movement.

The Truro Agricultural Fair of the 21<sup>st</sup> century celebrates local agriculture, aquaculture and fishing. Held in September, this popular weekend event brings out the whole community and yes, you can win prizes.

## Consolidated Statements of Income

Year ended March 31	2012	2011
<b>Interest Income</b>		
Loans	\$ 9,258,000	\$ 10,311,000
Securities and Investments	1,470,000	1,621,000
Federal Funds Sold	26,000	51,000
<b>Total Interest Income</b>	<b>\$ 10,754,000</b>	<b>\$ 11,983,000</b>
<b>Interest Expense</b>		
Interest on Deposits	\$ 1,847,000	\$ 2,380,000
Other Interest	4,000	4,000
<b>Total Interest Expense</b>	<b>\$ 1,851,000</b>	<b>\$ 2,384,000</b>
<b>Net Interest Income</b>	<b>\$ 8,903,000</b>	<b>\$ 9,599,000</b>
Provision for Loan Losses	30,000	410,000
<b>Non-Interest Income</b>		
Fees on Deposits	\$ 359,000	\$ 355,000
Other Service Charges	105,000	107,000
Gain (Loss) on Security Sales	382,000	155,000
Other Gains and Losses	43,000	118,000
Other Non-Interest Income	291,000	275,000
<b>Total Non-Interest Income</b>	<b>\$ 1,180,000</b>	<b>\$ 1,010,000</b>
<b>Non-Interest Expense</b>		
Salaries and Benefits	\$ 4,574,000	\$ 4,328,000
Premises and Equipment	766,000	766,000
Other Non-Interest Expense	3,129,000	3,052,000
<b>Total Non-Interest Expense</b>	<b>\$ 8,469,000</b>	<b>\$ 8,146,000</b>
Income Before Taxes	\$ 1,584,000	\$ 2,053,000
State and Federal Taxes	378,000	613,000
<b>Net Income</b>	<b>\$ 1,206,000</b>	<b>\$ 1,440,000</b>



## Consolidated Balance Sheets

Year ended March 31	2012	2011
<b>Assets</b>		
Cash and Due from Banks	\$ 7,708,000	\$ 4,851,000
Securities	83,502,000	72,783,000
Federal Funds Sold	8,772,000	13,486,000
Loans	192,192,000	193,340,000
Reserve for Losses	(2,404,000)	(2,569,000)
Land, Buildings, Equipment	3,824,000	3,812,000
Other Real Estate Owned	200,000	0
Other Assets	5,416,000	6,036,000
<b>Total Assets</b>	<b>\$ 299,210,000</b>	<b>\$ 291,739,000</b>
<b>Liabilities and Surplus</b>		
Deposits	\$ 263,456,000	\$ 257,534,000
Other Liabilities	2,093,000	2,053,000
<b>Total Liabilities</b>	<b>\$ 265,549,000</b>	<b>\$ 259,587,000</b>
Undivided Profits	\$ 33,058,000	\$ 31,852,000
Net Unrealized Gains on Securities held for Sale	603,000	300,000
<b>Total Surplus</b>	<b>\$ 33,661,000</b>	<b>\$ 32,152,000</b>
<b>Total Liabilities and Surplus</b>	<b>\$ 299,210,000</b>	<b>\$ 291,739,000</b>



## Reserve for Loan Losses

March 31	2012	2011
<b>Beginning Balance</b>	<b>\$ 2,569,000</b>	<b>\$ 2,518,000</b>
Recoveries	166,000	55,000
Less Charge Offs	(361,000)	(414,000)
Plus Provision for Losses	30,000	410,000
<b>Ending Balance</b>	<b>\$ 2,404,000</b>	<b>\$ 2,569,000</b>

## Changes in Equity Capital

	April 1, 2011 to March 31, 2012	April 1, 2010 to March 31, 2011
<b>Total Capital</b>	<b>\$ 32,152,000</b>	<b>\$ 31,080,000</b>
Net Income	1,206,000	1,440,000
Prior Year Changes	159,000	(209,000)
Other Comprehensive Income		
FAS 158	(459,000)	(459,000)
Net Unrealized Gains (Losses) on Securities	603,000	300,000
<b>Ending Equity Capital</b>	<b>\$ 33,661,000</b>	<b>\$ 32,152,000</b>



*Untitled* oil Henry Hensche  
Courtesy Provincetown Art Association and Museum

## “Where’s Cape Cod?” *Salvatore Del Deo*

The Outer Cape’s long history of attracting artists and writers to its shores is often cited as beginning in 1899 when Charles Webster Hawthorne opened his Cape Cod School of Art. Upon his death, Henry Hensche continued teaching in many of Hawthorne’s impressionistic traditions.

Enthralled when he saw Hensche demonstrate at the George Vesper School of Art in 1945, Salvatore Del Deo moved to Provincetown to study with Hensche and pursue life as a painter.

In exchange for free tuition, Sal became Hensche’s monitor. Classes numbered close to



100 students who were frequently seen on the beach painting local children who modeled for 10 cents a day.

Sal married Josephine Couch and together they decided to commit their lives to this community, contributing significantly to historic preservation, the schools and the arts.

In the 1960s, with other artists, writers and patrons, the Del Deos founded the Fine Arts Work Center. Like the Truro Center for the Arts at Castle Hill and the Provincetown Art Association and Museum, the Fine Arts Work Center is an exemplary cultural resource for people from around the globe.

These inspiring organizations, vigorously supported by our community, have active schedules of exhibits, films, concerts, talks and receptions that inform, entertain and

enhance our social fabric.



Salvatore and Romolo Del Deo at Cherry Stone Gallery, Wellfleet 1982  
Photo credit: Grace Consoli



*West End Pier* oil Salvatore Del Deo 1999

Never idle and always resourceful, Sal also made his way as a builder and a restaurateur. With Ciro Cozzi, he started Ciro & Sal's using a stove they retrieved from the dump. The building on the right is Sal's Place.

*“You’ll find out.”*  
*Henry Hensche*



Stagecoach on the Outer Cape

*“It’s a privilege to live here.”*  
*Sara and Mary Hutchings*

How did we get here?

250 families made up of 7,100 Pilgrims came from England to the New World in the 1600s. The 102 traveling on *The Mayflower* landed, not at a rock, but in the deep waters of beautiful Cape Cod Bay. Alden, Allerton, Bradford, Carver, Hopkins, Winslow — we

see the names of Mayflower Pilgrims on street signs. *The Anne* arrived in Plymouth a few years after the *The Mayflower* bringing more now familiar names — Bangs, Brewster, Cook, Doane, Snow — families who moved to Eastham seeking better farmland.

Descendants of these early settlers live here today on land granted to their forefathers by kings of England.

The Portuguese brought their warm, colorful culture, along with their expertise in whaling and fishing to



Courtesy Wellfleet Historical Society

Provincetown. Old New Englanders in Wellfleet were joined by French Canadians who were drawn by fertile mackerel grounds in the mid-19<sup>th</sup> century.

Lively towns, filled with industrious tradesmen, merchants and teachers, grew around those that harvested the land and the sea.



Wellfleet in 1877, Courtesy Wellfleet Historical Society

The railroad came to the tip of the Cape in 1873. Aboard were artists and writers who became inspired by the natural surroundings, each other and their intriguing neighbors. The train and steamships marked the beginnings of streams of tourists and summer people.

Roads were built, bridges over the Cape Cod Canal opened in 1935 and the automobile brought an ever greater influx of visitors. The economy dramatically changed and

led us into the leadership we hold in the hospitality industry of the 21<sup>st</sup> century.

Many who come for a week decide this is the place they want to live above all others. Like those before them, they enrich Cape Cod.

We live in an area imbued with a sense of community, nourished by people caring for one another, brimming with a flow of new ideas and ventures.

We honor and thank all those that are part of our community today and work for our community of tomorrow.



**SEAMEN'S BANK**  
MEMBER FDIC/DIF



*Break of Day at Fort Hill* pastel Amy Sanders 2011

We acknowledge and thank those who honor our history and have assisted in the creation of our Annual Reports including: Roberta Cornish, Josephine Del Deo, Salvatore Del Deo, Mary Hutchings, Sara Hutchings, Joyce Johnson, Denis Mooney, George Mooney, Janet Mooney, Helen Purcell, Francie Randolph, Sonny Roderick, Daniel Sanders, Diana Worthington, David Wright, Karen VanderMeer; the Orleans, Eastham, Wellfleet, Truro and Provincetown Libraries; the Eastham Historical Society, Wellfleet Historical Society, Highland House Museum, Pilgrim Monument and Provincetown Museum and the Provincetown Art Association and Museum.

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Cover: George and Denis Mooney in the off-road vehicle they constructed, complete with horn and brakes, with materials from the Truro Town Dump.



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