



2020 ANNUAL REPORT



MountainOne®

BANK | INSURANCE | INVESTMENTS



Dear MountainOne Community,

2020 was a year like no other and I am pleased to report MountainOne and our Mountaineers rose to the challenge! With an unwavering focus on employee and customer safety and health, we adapted to the many challenges of the COVID-19 Pandemic to meet customer and community needs ranging from the reliability of day-to-day banking, investment and insurance services, loan payment deferral and modification programs, the SBA's Paycheck Protection Program, an enhanced level of community donations, and fraud prevention.

Despite a shift in focus due to the Pandemic, we continued to prioritize our six Core Commitments: Asset Quality, Customer Care, Operational Distinction, Professional Development, Regulatory Accountability, and Community Engagement. We measure ourselves against these commitments each and every day, and in everything we do.

I am very pleased with MountainOne's 2020 financial results, presented in detail on the following pages. In summary, our balance sheet strength has never been stronger! We are extremely well capitalized, our liquidity has significantly improved, and our reserve for potential loan losses far exceeds industry averages. While earnings were not as robust as in prior years, our Board of Trustees supported management's decision to focus on building the strength of our balance sheet to withstand any potential downturn and to be very well positioned for future growth.

Looking ahead... Please allow me to introduce our newest trustees: Karen Zink and Antony Haynes. We have enjoyed onboarding Karen and Antony, albeit virtually. Both come to us with impressive, diverse and accomplished backgrounds and have already proven themselves to be valuable additions to our team.

You're the reason for our success! As we embark upon a new year, I want to express my gratitude to those who have positioned us for a strong 2021:

- Thank you to the entire **MountainOne herd** for overcoming the many unforeseen and extraordinary circumstances that arose during 2020. You navigated unfamiliar and perilous terrain to meet the needs of our customers and communities when they needed it most.
- Thank you to our **Trustees/Directors, Corporators** and **Community Advisory Committees**. You provided invaluable guidance and support throughout the past year.
- Lastly, I especially want to thank **our customers**. Thank you for being flexible and willing to sometimes bank differently in order to keep yourselves, our Mountaineers, and our community safe. Thank you for communicating with us and helping us to understand your needs, big and small.

As always, thank you for your support!



Robert J. Fraser
President & Chief Executive Officer

MountainOne Financial

Consolidated Balance Sheets

As of December 31

	2020	2019
	(Dollars in Thousands)	
Assets		
Cash and cash equivalents	\$27,907	\$25,628
Interest-bearing time deposits with other banks	—	250
Securities available for sale, at fair value	84,371	96,783
Federal Home Loan Bank stock, at cost	1,448	5,077
Loans held for sale, at fair value	1,193	1,002
Loans:		
Residential real estate	156,618	177,034
Home equity	29,954	41,321
Commercial real estate	270,271	253,160
Construction and land	101,786	126,543
Commercial	132,388	99,666
Consumer	5,748	8,534
Total loans	696,765	706,258
Deferred loan costs, net	349	1,138
Allowance for loan losses	(16,776)	(9,649)
Net loans	680,338	697,747
Premises and equipment	14,485	15,283
Deferred tax asset, net	7,984	4,928
Other real estate owned	70	1,465
Goodwill and other intangible assets	3,246	3,293
Bank-owned life insurance	27,320	26,686
Other assets	12,728	10,052
Total assets	\$861,090	\$888,194
Liabilities and Capital		
Deposits:		
Non-interest-bearing	\$139,809	\$103,464
Interest-bearing	567,701	552,388
Total deposits	707,510	655,852
Federal Home Loan Bank borrowings	15,700	104,700
Subordinated debt	20,620	20,620
Other liabilities	27,155	19,631
Total liabilities	770,985	800,803
Total capital	90,105	87,391
Total liabilities and capital	\$861,090	\$888,194

MountainOne Financial

Consolidated Statements of Income

Years Ended December 31

	2020	2019
	(Dollars in Thousands)	
Interest and dividend income:		
Loans, including fees	\$32,781	\$37,022
Securities	2,563	3,023
Federal funds sold and other	49	182
Total interest and dividend income	35,393	40,227
Interest expense:		
Deposits	5,182	7,896
Federal Home Loan Bank borrowings	1,161	2,606
Subordinated debt	932	959
Total interest expense	7,275	11,461
Net interest income	28,118	28,766
Provision for loan losses	8,600	1,600
Net interest income after provision for loan losses	19,518	27,166
Non-interest income:		
Customer service charges on deposits	565	818
Commissions on insurance and investment products	11,580	10,806
Mortgage banking income	1,654	500
Gain on securities, net	14	41
Other income	1,809	1,835
Total non-interest income	15,622	14,000
Non-interest expense:		
Salaries and employee benefits	19,454	19,471
Occupancy expense	2,206	2,445
Equipment expense	719	761
Data processing expense	1,904	1,750
FDIC deposit insurance assessments	315	200
Other expense	6,119	7,681
Total non-interest expense	30,717	32,308
Income before income taxes	4,423	8,858
Income tax expense	987	2,256
Net income	\$3,436	\$6,602

Trustees of MountainOne Financial, MHC
Directors of MountainOne Financial, Inc.
Directors of MountainOne Bank

Pamela B. Art
James J. Bailey, Jr.
Daniel E. Bosley
Noreen Carey-Neville
David W. Crane

Robert J. Fraser
Antony K. Haynes
Susan S. Hogan
Kevin A. Maguire
Thomas P. O'Connell

William F. Spence
Joseph C. Thompson
Karen L. Zink

Corporators

Billie Lynn Allard
Paul J (PJ) Antonik
James J. Bailey, Jr.
Ray Belanger, Jr.
Michael Bellotti
Blair Benjamin
James F. Birge
Daniel E. Bosley
Jennifer Boucher
John Bradley
Diana D. Brooks
Andrew B. Budz
Daniel H. Campbell
Noreen Carey-Neville
Lynne Carlotto
David Carver
Philip Chong
Jennifer Civello
Paula Clough
David W. Crane
Stephen G. Crowe
Richard Curtis
Steven Del Negro
Suzanne R. Dewey
Donald R. Dubendorf
Paul R. Dupuis
William E. Elder
J. Adam Filson
Brent Filson
Robert J. Fraser
Michael Gardner, Jr.

Brice George
Paul Gordon
Dr. Mary K. Grant
Vincent P. Guntlow
Michael Haddad, Jr.
Valerie P. Hall
Allen L. Hall
Kevin Hanley
Paula Harris
Paul Hart
Antony K. Haynes
Susan S. Hogan
Eric Kerns
Teresa H. Lamb
Benjamin Lamb
Kevin A. Maguire
Robert Manzella
Marcia McFarland
Jon McGrath
David Moresi
Amy Moresi
Kimberly Nelson
Linda E. Neville
Thomas P. O'Connell
Steven Owens
Charles Perfetuo
Felicia Pharr
Jeffrey Phelps
Michael Quirk
Regina Quirk
Leslie Reed-Evans

Denise C. Richardello
Mireille Roy
Jonathan B. (Jay) Sabin
Robert J. Scerbo
Graham Shalgian
Matt Sheehy
Eva Sheridan
Anthony M. Smeglin
Ben Sosne
William F. Spence
Roger E. St. Pierre
Suzanne J. Stinson
Peter Tedeschi
Joseph C. Thompson
Steve Triffletti
Susannah Wells
Susan J. Yates-Mulder
Karen L. Zink

MountainOne Financial Officers

Daniel E. Bosley	Chair
Pamela B. Art	Vice Chair
Robert J. Fraser	President & Chief Executive Officer
Lynne M. Carlotto	EVP, Senior Risk Management Officer
Steven J. Owens	EVP, CFO, COO, CIO, Treasurer
I. Michelle Devine	Acting Corporate Secretary

MountainOne Investments Officers

Lynn Sullivan	President
Linda B. Levesque	Senior Vice President, COO, Supervising Principal
Robert G. Abel	Senior Vice President, Financial Advisor
James E. Durand	Vice President, Financial Advisor & Head of Research

MountainOne Insurance Officers

Jonathan S. Denmark	President & Chief Operating Officer
Donna M. Bishop	Senior Vice President, Personal & Commercial Insurance
Brian W. Drake	Senior Vice President, Employee Benefits
William R. Robinson	Senior Vice President, Sales Manager
Linda A. Febles	Vice President, Business Insurance
Grace J. Gray	Vice President, Customer Service & Claims
Eric P. Pratt	Vice President, Bonding Manager
Deborah Baker	AVP, Personal Lines Insurance
Stacy Roman	AVP, Personal Lines Insurance

MountainOne Bank Officers

Robert J. Fraser	President & Chief Executive Officer
Lynne M. Carlotto	EVP, Senior Risk Management & CRA Officer
Steven J. Owens	EVP, CFO, COO, CIO, Treasurer
Jill K. Amato	SVP, Marketing Officer
Richard W. Bromberg	SVP, IT Director, Information Security Officer
Richard P. Kelly	SVP, Berkshire County Team Leader Commercial Lending
Linda B. Levesque	SVP, Financial Services
Michael E. MacArevey	SVP, Senior Operations Officer
Michael Z. Pang	SVP, Credit Administration Officer
Elizabeth A. Petropulos	SVP, Senior Human Resources Officer
Timothy P. Rhuda	SVP, Senior Commercial Banking Officer
Lynn Sullivan	SVP, Executive Community Banking & Cash Management Officer
Debra A. Wooley	SVP, Controller
Richard J. Alcombright	VP, Local Business & Customer Relations Manager
Kim E. Anderson	VP, Loan Compliance Officer
Melissa DaCosta	VP, Commercial Banking Officer

Jonathan S. Denmark	VP, Insurance Services
Kelly C. Grant	VP, Senior Regional Community Banking Officer
Marie A. Harris	VP, Senior Commercial Credit Analyst
Kelli E. Kozak	VP, Community Engagement Officer
Matthew B. Kreiser	VP, Commercial Banking Officer
Michael D. Minicucci	VP, Commercial Banking Officer
Steven Munger	VP, Commercial Banking Officer
Stephanie Scott	VP, BSA/AML/OFAC & Deposit Compliance Officer
Lucille A. Weare	VP, Community Banking Officer
Amy Backiel	AVP, Loan Operations Officer
Alicia A. Benoit	AVP, Electronic Banking & Deposit Operations
Randy T. Burdick	AVP, Community Banking Officer
Alice M. Copeland	AVP, Underwriting and Processing Manager
Susan R. Crum	AVP, Branch Administration
I. Michelle Devine	AVP, Assistant to President & CEO, HR Liaison Officer, Acting Corporate Secretary
Kelly L. Dubie	AVP, Human Resources Officer
Jennifer A. Field	AVP, Assistant Controller
Elizabeth D. Kapner	AVP, Marketing Manager
Paula Malloy	AVP, Accounting Manager
Lisa J. Mineau	AVP, Human Resources Officer
Cynthia P. Noyes	AVP, Risk Management Analyst
Rebecca L. O'Regan	AVP, Mortgage Banking and Consumer Lending Liaison
Jacob Phillips	AVP, Community Banking Officer
Dhara Purohit	AVP, Senior Credit Analyst
Timothy J. Shepard	AVP, Information Technology Officer
Jessica J. Andrews	Assistant Deposit Compliance & Fraud Administration Officer
Nancy E. Baran	Deposit Operations Officer
Ryan Belanger	Network & Systems Officer
Gwenn D. Bishop	Retail Lending Underwriter II
Heather Bona	Assistant BSA Officer
Brandon D. Cannata	Portfolio Manager
Paula M. Dolan	Loan Compliance Analyst
Peter M. Fortier	Facilities & Security Officer
Jessica A. McGovern	Executive Commercial Banking Assistant & Officer
Meghan L. Dunphy	Community Banking Officer
Greg A. Marchion	Community Banking Officer
Devon E. Stone	Community Banking Officer
Sara L. Argueta	Assistant Community Banking Officer
Erin M. Galvin	Assistant Community Banking Officer
Colleen J. McClintock	Assistant Community Banking Officer
Erik J. Ray	Assistant Community Banking Officer

Our Mission

To deliver solutions of real value that help individuals, businesses, and community institutions manage their financial lives with clarity and confidence.

Our Core Commitments

Asset Quality
Customer Care
Operational Distinction
Professional Development
Regulatory Accountability
Community Engagement



North Adams | Pittsfield | Quincy | Rockland | Scituate | Williamstown

MountainOne is a mutual holding company headquartered in North Adams, MA. Founded in 1848, MountainOne Bank provides a complete array of personal and business banking and electronic services. MountainOne Bank is Member FDIC and Member DIF. MountainOne Insurance provides personal and business insurance, bonding services, and group benefits solutions. The financial advisors of MountainOne Investments offer securities and advisory services to individuals and businesses through Commonwealth Financial Network,[®] Member FINRA/SIPC, a Registered Investment Adviser. Fixed insurance products and services offered through CES Insurance Agency or MountainOne Investments. MountainOne Bank is not a registered broker-dealer or Registered Investment Adviser. MountainOne Bank and MountainOne Insurance are not affiliated with Commonwealth. Products and services are offered at full service offices in the Berkshires (Pittsfield, North Adams, Williamstown) and on Boston's South Shore (Quincy, Rockland, Scituate). MountainOne Investments' main office is located at 85 Main Street, Suite 100, North Adams, MA 01247. (413) 664-4025

Insurance and Investments are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Funds are subject to investment risks, including possible loss of principal investment.

MountainOne Bank is Member FDIC. Member DIF.  Equal Housing Lender.