

Annual Report

December 31, 2020



Haverhill Bank

watchfire



Haverhill Bank

Just One Bank



Thomas L. Mortimer
President, Chief Executive Officer
and Chairman of the Board

President's Message

Dear Fellow Depositors,

This past year left behind many personal and financial tragedies. The pandemic had a worldwide impact from which no one was immune. To that end, we wish strength and solace to those most affected.

To address the pending financial impact of the pandemic in 2020, The Federal Reserve lowered interest rates in March of 2020 to near 0%, bought back \$700 billion in treasuries and mortgage-backed securities and then Congress passed the \$2 trillion CARES ACT. The Paycheck Protection Program was a portion of the CARES ACT meant to provide financial relief to businesses negatively impacted by the pandemic.

The interest rate reductions and the stimulus from the CARES ACT softened the financial impact of the pandemic. These factors helped offset what was sure to be a significant setback on credit quality. In 2020, Haverhill Bank approved and funded 350 PPP loans totaling \$44 million.

During 2020, Haverhill Bank realized strong growth. At 12/31/20, total assets grew to \$505.5 million, up \$88.7 million from 12/31/19. Much of this growth was a result of businesses and consumers accumulating cash. By 12/31/20, Haverhill Bank's deposits grew \$84.3 million or 24.5%. Net loans totaled \$315 million or a 4.3% increase from 12/31/19. Overall loan originations amounted to \$120.5 million, including the \$44 million in PPP loans.

For 2020, Haverhill Bank reported a net profit of \$4.2 million for a .91% return on average assets. The Bank's capital rose to \$50.4 million, providing a 9.99% capital ratio at year end. Asset quality remained strong as total loan delinquency was \$198.3 thousand and was comprised of only two loans.

Amid all the turmoil of 2020, Haverhill Bank created a private Mutual Holding Company, HB Holdings, MHC. This form of ownership provides better flexibility with financial opportunities in the future. One of the major benefits of the Holding Company was establishing a Board of Corporators.

The team at Haverhill Bank met the challenges of 2020 and outperformed. On behalf of our Board of Directors, I want to thank all the staff for their hard work under challenging conditions. I also want to thank our loyal customers for their support and patronage, we would not be as successful without you.



Thomas L. Mortimer

President, Chief Executive Officer and Chairman of the Board

Haverhill Bank Statement of Condition

Assets

Cash and Due from Banks

Securities

Loans (net)

Premises and Equipment (net)

Other Assets

Total Assets

Liabilities and Surplus

Deposits

Other Borrowed Money

Other Liabilities

Total Liabilities

Surplus

Accumulated Other Comprehensive Income

Total Surplus

Total Liabilities and Surplus

December 31, 2020

Published in accordance with provision of
General Laws Chapter 170, Section 18.

December 31, 2020

December 31, 2019

\$85,255,771

\$23,870,668

82,078,140

67,596,743

315,054,045

302,012,516

8,056,528

8,118,208

14,201,728

14,315,269

\$504,646,212

\$415,913,404

December 31, 2020

December 31, 2019

\$430,339,582

\$345,484,279

21,165,777

21,729,651

2,756,256

2,198,764

454,261,615

369,412,694

49,231,004

44,268,126

1,153,593

2,232,584

50,384,597

46,500,710

\$504,646,212

\$415,913,404

Commitment to Community



From left, Haverhill Police Capt. Robert P. Pistone, Haverhill Bank President and CEO Thomas L. Mortimer and Police Chief Alan R. DeNaro.

Haverhill Bank is built upon the foundation of the community banking model. In addition to local decision-making and servicing and the hiring of local individuals, the model's mission is to aid in the development and well-being of the communities we serve. Haverhill Bank proudly re-invested over \$250,000 back into the community it serves.

In addition to financial contributions on behalf of the Bank, employees donate countless hours to volunteerism, service club membership and sharing their expertise as board members of local non-profits and chambers of Commerce. Additionally, Haverhill Bank partners with organizations, like the Boys and Girls Clubs of Haverhill and Salem and Emmaus, throughout the year.

A few of our many donations include:

Shop with a Cop

“Shop with a Cop” is a Holiday outreach program led by the Haverhill Police department. The program assists family ensure that they are able to provide a Christmas for their families.



Haverhill Bank President and CEO Thomas L. Mortimer presents a check to Ruth's House on Giving Tuesday.

Haverhill Farmers Market

For over 40 years, the Haverhill Farmers Market has provided access to farm-fresh products and promotes local agriculture, as well as served as a social gathering place to encourage a vibrant and connected community.



Haverhill Farmers Market's Jeff Grassie, Haverhill Bank's Lori Archambault and Carolyn Grieco of Carolyn's Farm Kitchen.

Employee Activities Committee

The Activities Committee promotes a monthly "jeans day," in which employees may pay a small fee to dress down in support of local non-profit organizations. This year some of the organizations included: Blanket Me, the Boys and Girls Club of Greater Haverhill Summer Camp and the Liz Murphy Open Hand Pantry.

Officers

- Thomas L. Mortimer President, CEO
Chairman of the Board
- Harry J. Korslund, III Senior Vice President,
Senior Commercial Loan Officer
- John Patriakeas Senior Vice President,
Chief Compliance Officer
- Glenn W. Strauss Senior Vice President,
Market Manager—Commercial Lending
- John P. Teoli Senior Vice President,
Senior Lender
- Charlette M. Weeden Senior Vice President,
CFO, Treasurer
- Lise T. Zapatka Senior Vice President,
Information Technology, Operations, Marketing, Retail
- Duncan O. Clark Vice President,
Retail Branch Administrator
- Alan M. Collopy Vice President, Information Technology
- Erin M. Daley Vice President, Mortgage Specialist
- Thomas O. Faulkner Vice President, Mortgage Originator
- Paul M. Frank Vice President, Branch Manager
- James P. Henebry Vice President, Commercial Lending
- Denise M. Joslin Vice President, Human Resources
- Kelly C. Quevillon Vice President, Operations
- Deven M. Robinson Vice President,
Executive Administration Officer, Board Secretary
- Lisa M. Sullivan Vice President,
Residential Production Manager
- Stanley R. Ward Vice President, Loan Servicing
- Ana P. Gonzalez Assistant Vice President, Branch Officer
- Marcos C. Melo Assistant Vice President, Branch Officer
- Sherry L. Temple Pruyn Mortgage Officer, Originator
- Lori A. Archambault Branch Manager

Board of Directors

Thomas L. Mortimer, Chairman of the Board

Paul M. Accardi	William J. Barron, Esq.
Joseph J. Bevilacqua	Mary E. Carrington
Stuart B. Davis	William S. Faraci, Esq.
Dana A. Fields	Kristin M. Murphy
Christos S. Papaefthemiou	Richard J. Sheehan, Jr., Esq.

Audit Committee

William J. Barron
Joseph J. Bevilacqua
Mary E. Carrington
Stuart B. Davis
Dana A. Fields
Richard J. Sheehan, Jr.

Executive Committee

Paul M. Accardi
William S. Faraci
Thomas L. Mortimer
Kristin M. Murphy
Christos S. Papaefthemiou

Corporate Governance Committee

William J. Barron
Joseph J. Bevilacqua
Mary E. Carrington
William S. Faraci
Kristin M. Murphy
Richard J. Sheehan, Jr.

Corporators

Derek C. Journey
Timothy J. Jordan
William D. Chase
William D. Cox, Jr.
James P. Traver
Tatum M. Kelleher
Joseph J. Fantini
Stephen L. Flynn
Jennifer R. Matthews
Anthony J. Sciuto
Frederick E. Malcolm
Allison M. Dolan-Wilson
Xiang H. Chen
Robert A. Masys
Deborah A. Conner
William J. Costello
Keith T. Maglia
Francis J. Bevilacqua
Daniel T. Chabot
John P. Teoli
John A. Patriakeas
Lise T. Zapatka
Ronald G. Trombley
Mark J. Andrews
William J. Pauk
Frank A. Storniolo
Peter H. Bronstein
Krystine S. Hetel
Timothy J. Coco
Raymond C. Antonopoulos
Jeffrey Grassie
Cabot B. Smith

Branch Locations

Main Office

180 Merrimack Street
Haverhill, MA 01830

Bradford Branch

163 South Main Street
Bradford, MA 01835

Rosemont Branch

1094 Main Street
Haverhill, MA 01830

Merrimac Branch

6 West Main Street
Merrimac, MA 01860

Salem Branch

396 Main Street
Salem, NH 03079

West Newbury Branch

281 Main Street
West Newbury, MA 01985

Federal Deposit Insurance Corporation
Federal Home Loan Bank
Federal Reserve Bank of Boston
Massachusetts Bankers Association
New England Automated Clearing House
Independent Community Bankers of America
Depositors Insurance Fund



Haverhill Bank
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