

**2022  
ANNUAL  
REPORT**

**#CSB's  
Our  
Community**

**Clinton**  
Savings Bank

**888-744-4272(4CSB)**

**clintonsavings.com**

## Mission Statement

Clinton Savings Bank, a bank committed to the communities it serves, strives to consistently deliver quality financial services based on customer needs through highly motivated employees interested in making the bank a great place to work.

Go Beyond Banking.™



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## President's Message

Given the rapid pace of change throughout many aspects of our lives, Clinton Savings Bank strives to consistently deliver exceptional value and service to you, our customers. At the same time, we are capitalizing on opportunities to innovate and adapt, turning possibilities into realities. Through technology, friendly and quality service, and our dedicated staff, Clinton Savings Bank finished another challenging year stronger than ever in 2022. We do what we do best. For over 171 years, we have brought people together with the financial services they need for a healthy financial life. We strive to help our communities and our customers every step of the way.

Clinton Savings Bank (CSB), a wholly-owned subsidiary of Wachusett Financial Services and its parent company, Clinton Financial Services, MHC, successfully ended 2022 in a financially strong position. We had net loan growth of 18% while keeping loan delinquency at historical lows. We were both profitable and efficient as we ended the year with total assets of over \$696 million, while exceeding our net income goal with a net profit of \$3.4 million. As a result of this performance, our balance sheet remains extremely strong, ending the year with a regulatory capital ratio of 11.22% - very well-capitalized as defined by regulators. We take our financial stability very seriously especially as we move forward in a somewhat volatile environment. The Bank's financial goals are to remain safe, secure and relevant to our success now and in the future.

Operationally, we continue to prudently manage risk across our business lines. The quality of our loan portfolio is exceptionally strong, and we have been diligent in addressing the risks related to information security, fraud, and rising interest rates. On the deposit side, we offered competitive products like our Less Stress Checking account that provides no overdraft fees to the customer. As such our total deposits grew to \$562 million at year-end. Our lending teams were busy providing customers with mortgages for their first homes, vacations homes and refinancing for improved financial wellness which led us to originating over \$71 million in residential loans in our portfolio and over \$19 million in consumer loans.

And I am pleased to report that the additional staff we hired, including a new Senior Vice President/Chief Lending Officer, created many new business contacts in our communities which assisted in closing \$64 million in commercial loans. These loans provided business customers with opportunities for new business and expansion.

In early 2023, the grand opening of our new Shrewsbury branch, which is located at 200 Hartford Turnpike, was indeed another highlight and was extremely successful. We are welcoming new customers and businesses every day to become a part of the CSB family.



As we move forward in 2023, we are continually focused on improving your financial well-being. Our mission is to serve you, and, beyond the competitive rates we provide on loans and deposits, we are focused on refining your experience, whether that be in person at our customer friendly branches, or by capitalizing on the opportunities that technology offers to deliver faster and more robust digital banking.

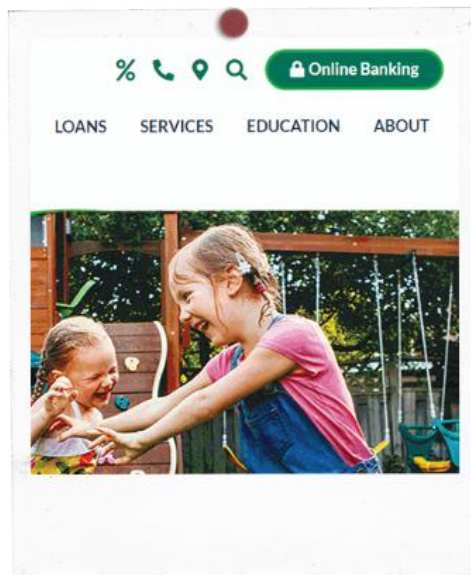
Soon, we'll provide more tech-forward ways for you to engage with us, including a Message Pay feature on our website. You'll be able to pay your CSB loan from another financial institution with a just a few clicks from your desktop or phone. You'll also be able to schedule appointments with our staff. Additional enhancements to Online and Mobile Banking are also underway, making it easier than ever for you to manage your accounts.

Thanks to the support of our incredible board, corporators, and staff we continue to grow, while achieving our mission of financial well-being, supporting the communities we serve, creating value, and enduring relationships with you, our customers.



Robert J. Paulhus, Jr.  
Clinton Savings Bank  
President & CEO

## Coming in 2023





# Clinton Financial Services, MHC and Subsidiary\* Consolidated Balance Sheets

Years Ended December 31, 2022 and 2021 (In Thousands - Audited)

	2022	2021	Variance
<b>ASSETS</b>			
Cash and due from banks	5,339	3,640	1,699
Interest-bearing demand deposits with other banks	4,153	22,594	(18,441)
<b>Cash and cash equivalents</b>	<b>9,492</b>	<b>26,234</b>	<b>(16,742)</b>
Interest-bearing time deposits with other banks	100	100	-
Investments in available-for-sale securities (at fair value)	133,236	158,260	(25,024)
Marketable equity securities, at fair value	11,287	11,222	65
Federal Home Loan Bank stock, at cost	2,367	1,662	705
Loans, net	497,939	422,377	75,562
Premises and equipment, net	8,088	6,343	1,745
Accrued interest receivable	2,192	1,942	250
Cash surrender value of life insurance policies	18,547	17,888	659
Deferred tax asset, net	7,956	1,710	6,246
Other assets	2,227	1,617	610
<b>Total assets</b>	<b>693,431</b>	<b>649,355</b>	<b>44,076</b>

<b>LIABILITIES AND EQUITY</b>			
<b>Deposits:</b>			
Non-interest-bearing	86,084	88,552	(2,468)
Interest-bearing	475,081	451,693	23,388
<b>Total deposits</b>	<b>561,165</b>	<b>540,245</b>	<b>20,920</b>
Federal Home Loan Bank advances	63,395	25,000	38,395
Securities sold under agreements to repurchase	4,797	4,864	(67)
Subordinated debt	7,732	7,732	-
Finance lease obligation	345	381	(36)
Other liabilities	5,592	4,925	667
<b>Total liabilities</b>	<b>643,026</b>	<b>583,147</b>	<b>59,879</b>
<b>Equity:</b>			
Retained earnings	70,400	66,952	3,448
Accumulated other comprehensive (loss) income	(19,995)	(744)	(19,251)
<b>Total equity</b>	<b>50,405</b>	<b>66,208</b>	<b>(15,803)</b>
<b>Total liabilities and equity</b>	<b>693,431</b>	<b>649,355</b>	<b>44,076</b>

\*Clinton Financial Services, MHC, a Massachusetts Mutual Holding Company (MHC), its wholly-owned subsidiary, Wachusett Financial Services, Inc., its wholly-owned subsidiary Clinton Savings Bank, a state-chartered savings bank, and the Bank's wholly-owned subsidiaries, Clinton Securities Corp. and Wachusett Realty, LLC.

# Clinton Financial Services, MHC and Subsidiary\*

## Consolidated Statements of Income

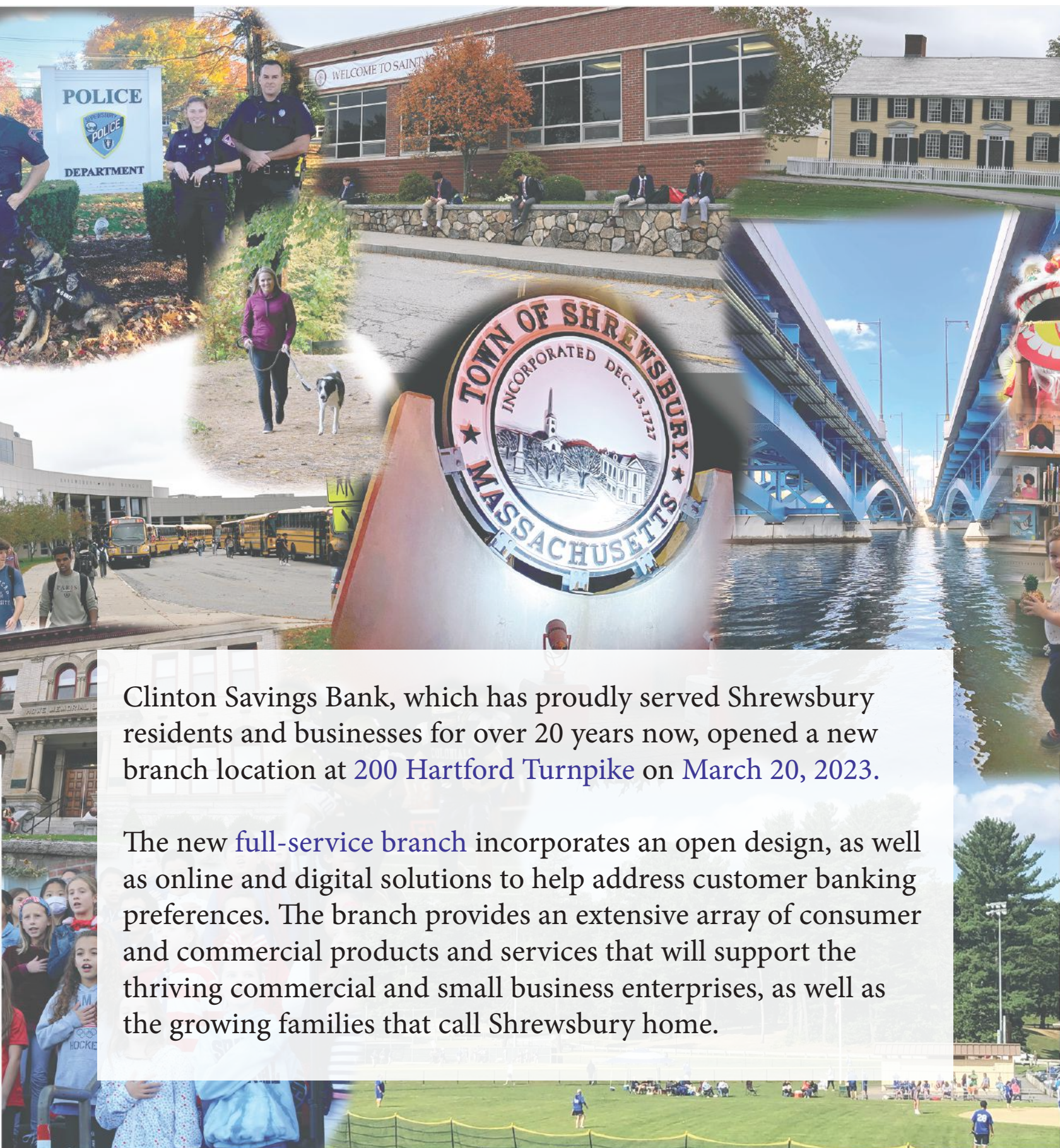
Years Ended December 31, 2022 and 2021 (In Thousands - Audited)

	2022	2021	Variance
<b>INTEREST AND DIVIDEND INCOME</b>			
Interest and fees on loans	19,191	17,849	1,342
Interest on debt securities:			
Taxable	3,138	1,997	1,141
Tax-exempt	382	494	(112)
Dividends	322	273	49
Other interest on short-term investments	84	52	32
<b>Total interest and dividend income</b>	<b>23,177</b>	<b>20,665</b>	<b>2,452</b>
<b>INTEREST EXPENSE</b>			
Interest on deposits	1,427	1,805	(378)
Interest on Federal Home Loan Bank advances	839	855	(16)
Interest on subordinated debt	368	236	132
Interest on capital lease obligation	25	28	(3)
<b>Total interest expense</b>	<b>2,659</b>	<b>2,924</b>	<b>(265)</b>
<b>Net interest and dividend income</b>	<b>20,458</b>	<b>17,741</b>	<b>2,717</b>
Provision for loan losses	360	360	-
<b>Net interest and dividend income after provision for loan losses</b>	<b>20,098</b>	<b>17,381</b>	<b>2,717</b>
<b>NON-INTEREST INCOME</b>			
Customer service fees	1,140	1,146	(6)
Losses on sales of available-for-sale securities, net	0	(2)	2
Net (loss) gain, marketable equity securities	(1,287)	1,858	(3,145)
Gain on sales of mortgages, net	1	50	(49)
Loan servicing fees, net	99	30	69
Bank owned life insurance income	496	476	20
Other income	339	652	(313)
<b>Total non-interest income</b>	<b>788</b>	<b>4,210</b>	<b>(3,422)</b>
<b>NON-INTEREST EXPENSE</b>			
Salaries and employee benefits	10,423	10,171	252
Occupancy expense	994	939	55
Equipment expense	1,053	1,054	(1)
Data processing expense	771	755	16
Professional fees	379	405	(26)
Advertising and marketing	571	559	12
FDIC assessment	175	163	12
Other expense	2,183	1,952	231
<b>Total non-interest expense</b>	<b>16,549</b>	<b>15,998</b>	<b>551</b>
<b>Income before income tax expense</b>	<b>4,337</b>	<b>5,593</b>	<b>(1,256)</b>
Income Tax Expense	889	1,071	(182)
<b>Net income</b>	<b>3,448</b>	<b>4,522</b>	<b>(1,074)</b>

\*Clinton Financial Services, MHC, a Massachusetts Mutual Holding Company (MHC), its wholly-owned subsidiary, Wachusett Financial Services, Inc., its wholly-owned subsidiary Clinton Savings Bank, a state-chartered savings bank, and the Bank's wholly-owned subsidiaries, Clinton Securities Corp. and Wachusett Realty, LLC.



## New Shrewsbury Branch



Clinton Savings Bank, which has proudly served Shrewsbury residents and businesses for over 20 years now, opened a new branch location at [200 Hartford Turnpike](#) on [March 20, 2023](#).

The new [full-service branch](#) incorporates an open design, as well as online and digital solutions to help address customer banking preferences. The branch provides an extensive array of consumer and commercial products and services that will support the thriving commercial and small business enterprises, as well as the growing families that call Shrewsbury home.



## Board of Directors



**William E. O'Neil, Jr.**<sup>1</sup>  
Chairman of the Board  
Current Term Ends 2024



**Robert M. Farragher**<sup>1</sup>  
Vice Chairman of the Board  
Current Term Ends 2023



**Barbara E. King**<sup>1,3</sup>  
Clerk of the Corporation  
Current Term Ends 2024



**Robert J. Paulhus, Jr.**<sup>1,5</sup>  
President & CEO  
Current Term Ends 2024



**Cindy J. Curley**<sup>4</sup>  
Current Terms Ends 2023



**Jonathan L. Gulliver**<sup>2,3</sup>  
Current Terms Ends 2023



**Myles F. Heffernan, Jr.**<sup>2</sup>  
Current Terms Ends 2025



**John F. Hogan**<sup>2,3</sup>  
Current Term Ends 2025



**John F. Kilcoyne**<sup>1,3</sup>  
Current Term Ends 2025



**John P. Kittredge, Jr.**<sup>2,4</sup>  
Current Term Ends 2024



**Maureen K. Quill**<sup>2,3</sup>  
Current Term Ends 2023



**Christopher J. Williams**<sup>1</sup>  
Current Term Ends 2025

1 Executive Committee | 2 Audit Committee | 3 Compensation Committee | 4 ALCO Committee | 5 Member of Senior Management Team

## Clinton Financial Services, MHC Officers

**William E. O'Neil, Jr.**  
*Chairman of the Board*

**Barbara E. King**  
*Clerk of the Corporation*

**A. David Darvish**  
*Treasurer*

**Robert M. Farragher**  
*Vice Chairman of the Board*

**Robert J. Paulhus, Jr.**  
*President & CEO*

## Clinton Savings Bank Officers

**Robert J. Paulhus, Jr.**  
President & CEO

**Leonard T. Anctil**  
SVP/ Senior Commercial Lending Officer

**A. David Darvish**  
SVP/Chief Financial Officer/Treasurer

**Mary T. Dean**  
SVP/ Chief Information Officer/Operations

**Ellen J. McGovern**  
SVP/Chief Marketing Officer

**Linda M. Midura**  
SVP/Director of Human Resources

**John T. Peculis**  
SVP/Chief Lending Officer

**Andrea C. Santiago**  
SVP/Branch Administration

**Christopher T. Brunell**  
SVP/Commercial Relationship Manager

**Debra A. Colonna**  
SVP/Retail Lending Officer

**Paula E. Paldino**  
SVP/Compliance & Security Officer

**Robert G. Rivard**  
SVP/Commercial Relationship Manager

**Cesar A. Casillas**  
VP/Commercial Portfolio Manager

**Pamela J. Cutler**  
VP/Operations Manager

**Kathleen A. Flaherty**  
VP/Compliance & CRA Officer

**Corinne A. Hansen**  
VP/Branch Manager, Clinton

**Majlinda Haxhij**  
VP/Commercial Relationship Manager

**Kathleen L. Kennedy**  
VP/Branch Manager/Business Development Officer

**Lynne G. McCormack**  
VP/Senior Commercial Portfolio Manager

**Danielle M. McCarter**  
VP/Human Resources Manager

**Linnea C. Miley**  
VP/Credit Manager

**Kenneth E. Ouelette**  
VP/Information Technology Officer

**Lisa A. Poirier**  
VP/Controller

**Elisa A. Cuddy**  
AVP/Mortgage Originator

**Robert P. Fontaine**  
AVP/Senior Mortgage Underwriter

**Julia I. Gomez**  
AVP/Branch Manager, Sterling

**Geoffrey S. Green**  
AVP/Branch Manager, Berlin

**Michele, A. Hazelhurst**  
AVP/Branch Manager, Boylston

**Robert R. Hicks, Jr.**  
AVP/Branch Manager, West Boylston

**Jennifer J. Kelly-Geary**  
AVP/Collections & Loan Servicing Manager

**Kelly J. Manz**  
AVP/Consumer Loan Supervisor

**Kristen M. Paige**  
AVP/Senior Compliance Specialist

**John G. Ryan**  
AVP/Mortgage Originator

**Joao C. Alves**  
Systems Officer

**Gladys Colon-Grampetro**  
Mortgage Underwriter

**Jamie L. Cortes**  
Market Research Analyst Officer

**Christopher R. Gillin**  
Branch Manager, Bolton

**John Hewitt**  
Cash Management Officer

**Michelle L. Lacoboni**  
Administrative Officer

**Samantha L. Ingui**  
Operations Officer

**Jill E. Parcell**  
Project Manager

**Belinda L. Pero**  
Collections Officer

**Debra A. Reilly**  
Retail Lending Specialist

## Clinton Saving Bank Senior Management Team

**Robert J. Paulhus, Jr.**  
President & CEO

**Leonard T. Anctil**  
SVP/Senior Commercial Lending Officer

**A. David Darvish**  
SVP/Chief Financial Officer/Treasurer

**Mary T. Dean**  
SVP/Chief Information Officer/Operations

**Ellen J. McGovern**  
SVP/Chief Marketing Officer

**Linda M. Midura**  
SVP/Director of Human Resources

**John T. Peculis**  
SVP/Chief Lending Officer

**Andrea C. Santiago**  
SVP/Branch Administration

# Corporators

NAME	TERM ENDS
Ms. Robyn E. Arcand	2032
Ms. Joanne Bergen	2028
Mr. Roshan V. Bhakta	2032
Mr. Victor S. Bhakta*	2027
Dr. Lindsay A. Bruneau, DMD	2026
Mr. David S. Butler	2024
Mr. John Chandler	2030
Mr. David Chandler, Jr.	2030
Mr. John C. Cherubini	2023
Mr. Paul A. Cherubini	2028
Mr. John W. Child, Jr.	2028
Mr. Dennis P. Ciccone	2029
Mr. Matthew P. Colangelo	2029
Mr. Kenneth A. Cole Jr.	2028
Mr. Thomas R. Comeau	2032
Mr. Brian W. Coyne	2032
Mr. Laurence T. Crossman	2029
Ms. Cindy J. Curley	2023
Ms. Mary T. Dean	2026
Ms. Kali H. Delorey	2024
Mr. Dale A. DiMeco	2031
Ms. Pamela D. Dobeck	2029
Mr. Thomas M. Doerr	2032
Ms. Patricia L. Drinkwater	2029
Mr. Robert M. Farragher	2023
Ms. Kerry A. Flathers	2025
Mr. David I. Frem	2031
Ms. Janice L. Fuller*	2027
Ms. Kim M. German	2030
Ms. Caryn L. Gorczynski	2026
Mr. Jonathan L. Gulliver	2029
Dr. Myles F. Heffernan, Jr., DDS	2026
Mr. David M. Hinckley	2030
Mr. John F. Hogan	2028
Atty. Jane K. Innamorati	2025
Mr. Barry L. Kallander	2030
Dr. Theresa E. Kane	2031
Mr. John F. Kilcoyne	2025
Ms. Meghan K. Kilcoyne	2032
Ms. Barbara E. King	2032
Mr. John P. Kittredge, Jr.	2025
Mr. Philip R. Latini	2031
Mr. Mark R. Laverdure	2031
Ms. Catherine M. Livingstone	2029
Mr. Donald A. Lowe	2032

NAME	TERM ENDS
Mr. Robert H. MacKay	2027
Ms. Maegen N. McCaffrey	2030
Ms. Ellen J. McGovern	2026
Mr. Patrick A. McGrail	2026
Ms. Lucinda J. McLaughlin	2029
Mr. Brian J. McNally	2029
Mr. Robert J. McNally*	2026
Mr. Anthony R. Melone	2031
Mr. Steven Mendoza	2032
Mr. Daniel P. Mercurio	2031
Mr. David P. Mercurio	2026
Dr. Steven C. Meyer Ed.D	2029
Ms. Linda M. Midura	2032
Mr. Dennis F. Murphy, III	2028
Mr. Jason T. Murray	2031
Ms. Lauren R. Nanof	2030
Atty. Harold P. Naughton, Jr.	2029
Mr. Stephen A. O'Neil	2028
Atty. William E. O'Neil, Jr.	2028
Mr. Robert C. Ordnung	2028
Mr. Genaro R. Paen	2023
Mr. Robert J. Paulhus, Jr.	2030
Ms. Lynn Philbin	2030
Atty. Stephen J. Philbin	2023
Ms. Catherine M. Phillips	2028
Mr. Paul Q. Polewarczyk	2029
Ms. Maureen K. Quill	2025
Mr. Martin D. Reisner	2030
Mr. Christopher J. Rogers	2026
Mr. Alan S. Roseberry	2032
Mr. Raymond J. Salmon, Jr.	2028
Atty. Gary P. Sanginario	2025
Mr. Todd S. Solar	2031
Dr. William R. Southworth	2029
Ms. Carolyn C. Stimpson	2029
Mr. Kenneth G. Sydow	2026
Ms. Susan C. Templeton	2032
Mr. James A. Tomolo, Jr.	2029
Mr. Giuseppe Villani	2029
Dr. Richard R. Waller, Jr.	2031
Mr. James H. Wheeler	2032
Ms. Bobbi-Jo A. Williams	2029
Mr. Christopher J. Williams	2023

\*Retiring Corporator



# Clinton Savings Bank

An experience you can bank on.



Member FDIC  
Member DIF  
NMLS# 422081



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