




Annual Report

December 31, 2016



Connecting All Branches: (978) 374-0161
Haverhill Bank is on 

NMLS # 407690
Member FDIC/Member SIF
Equal Housing Lender





Thomas L. Mortimer
President and Chief Executive Officer

A letter from Haverhill Bank President Thomas L. Mortimer

The bank reported modest expansion year over year with 1.82 percent in growth or \$6.5 million, which increased assets to \$367.8 million. Despite overall modest growth, activity was brisk. The bank reported loans increased by 11 percent or \$26.8 million; deposits grew .89 percent or \$2.7 million and surplus grew by 4 percent or \$1.474 million to \$38.2 million. Haverhill Bank continues to expand and remain a financially strong community bank.

In 2016, a focus was placed on expanding upon opportunities for first-time and low- to moderate-income buyers. In addition to ongoing participation in the Federal Home Loan Bank of Boston's Equity Builder Program, internal First-Time Homebuyer and Low- to Moderate-Income programs were added to the bank's roster of lending products. Program features include reduced interest rates, closing cost credits and required down payments of only 3 percent. The bank also partnered with Community Action Inc. to provide First-Time Homebuyer training to the Greater Haverhill area in order to help guide homebuyers through the process of purchasing their first home.

Last April, Haverhill Bank began issuing new debit cards for all customers. The new cards included EMV (chip) technology, which reduces the risk of fraudulent charges and card counterfeiting. Additionally, all Haverhill Bank ATMs were upgraded to accommodate the new EMV (chip) technology. To further our efforts in keeping our customers both secure and informed, we launched a Business Security Newsletter and continued our #TechTipTuesday social media campaign. Both have allowed us to stay in contact with our customers and keep them informed on the newest trends in online banking, fraud and security, thus creating a whole new line of defense against cyber criminals.

In the fall of 2016, Haverhill Bank opened its West Newbury branch. The branch, located at 281 Main Street, is the only bank in West Newbury and offers a full-service retail experience that includes a drive-thru teller, 24/7 drive-up ATM and access to a full-time loan originator. This now gives Haverhill Bank seven full service branches and two high school branches, expanding its footprint to include: Haverhill, Merrimac, West Newbury and Salem, N.H.

Lastly, I am extremely proud to report that in 2016, in keeping with the spirit of the community banking model, Haverhill Bank re-invested close to \$275,000 back into the communities it serves by supporting local non-profit organizations and charities. In addition to monetary contributions, employees donated countless hours of their time to serve on the boards of these organizations and volunteer at community events and fundraisers on behalf of the bank.

On behalf of all the staff at Haverhill Bank, I would like to thank our customers for their continued patronage and trust.



Thomas L. Mortimer

President and Chief Executive Officer

Haverhill Bank Statement of Condition

Assets

Cash and Due from Banks

Securities

Loans (net)

Premises and Fixed Assets

Other Assets

Total Assets

Liabilities

Deposits

Other Borrowed Money

Other Liabilities

Total Liabilities

Surplus

Accumulated Other Comprehensive Income

Total Equity Capital

Total Liabilities and Equity Capital

December 31, 2016

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

December 31, 2016

December 31, 2015

\$18,499,106

\$35,433,865

56,195,468

61,582,134

271,105,143

244,273,252

7,399,842

6,348,504

14,613,250

13,537,266

\$367,812,809

\$361,175,021

December 31, 2016

December 31, 2015

\$312,812,222

\$310,164,153

15,415,445

12,975,462

1,529,706

1,453,897

\$329,757,373

\$324,593,512

38,245,520

36,881,100

(190,084)

(299,591)

\$38,055,436

\$36,581,509

\$367,812,809

\$361,175,021

Commitment to Community 2016

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 bank's communities. While the bank regularly supports local services and organizations through financial contributions, employees also donate countless hours to volunteerism, service club membership and sharing their expertise as board members of local non-profits.



Financial Literacy Programs

Throughout the year, Haverhill Bank sponsored and participated in different financial literacy programs for high school students. In April, the bank partnered with Haverhill High School to hold the Annual Credit for Life Fair, in which local business professionals donate their time and expertise to educate students on budgeting by simulating real life financial scenarios. The bank also partnered with the Massachusetts Bankers Association in December to sponsor Common Cents, a financial literacy game show competition for high school students which also included a tour of the Massachusetts State House.

West Newbury Night Out

In August, Haverhill Bank once again sponsored a photo booth for West Newbury's Night Out, a national event meant



to promote crime and drug prevention, as well as strengthen police-community partnerships.



River Ruckus

River Ruckus took place Sept. 24, 2016, in the Haverhill Riverfront Cultural District. The annual festival featured live music, Classic Cars, Kids Zone, local foods and spectacular fireworks over the Merrimack River. Here, Linda Haefner, Carolyn Giroux, Janet Odenwelder and Allyson Vallieres greet customers and friends at the bank booth.

Community Holiday Parades

As the holiday season neared, bank employees geared up to participate in parades hosted by the local communities served. Duties included sponsoring bands, marching and handing out



candy to spectators, and even designing the float that carries Santa into town!



Employee Activities Committee

In addition to Haverhill Bank-sponsored events and charitable donations, employees volunteer their time and money to local organizations, such as Anchor of Hope, shown below, throughout the year by participating in the bank's Activities Committee. Additionally, the Activities Committee promotes a monthly "jeans day," in which employees may pay a small fee one Friday a month to support a local non-profit organization. Above, employees collected more than 1,000 diapers for the Stuff the Bus Diaper Drive. Participating, from left to right, are Anchor of Hope President/CEO Claire Hailson; Haverhill Bank Activity Committee members Erica LeMire and Joshua Ethier; and Anchor of Hope Vice President Ellen Palmer.

Officers

Thomas L. Mortimer.....	President, CEO
Harry J. Korslund, III	Senior Vice President, Senior Commercial Loan Officer
John Patriakeas	Senior Vice President, Chief Compliance Officer
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
Duncan Clark.....	Vice President, Branch Manager
Erin M. Daley.....	Vice President, Mortgage Specialist
Thomas O. Faulkner	Vice President, Mortgage Originator
Paul M. Frank.....	Vice President, Branch Manager
Denise M. Joslin	Vice President, Human Resources, Board Secretary
Matthew Martin	Vice President, Branch Administration
Janet F. Odenwelder.....	Vice President, Mortgage Originator
Kelly C. Quevillon.....	Vice President, Operations
Maureen M. Stillwell	Vice President, Commercial Loan Officer
Stanley R. Ward.....	Vice President, Loan Servicing
Deven M. Robinson.....	Assistant Vice President, Executive Administration Officer
Dorothy Tully	Assistant Vice President, Senior Underwriter
Melissa Cerasuolo	Business Development Officer
James Henebry.....	Commercial Loan Officer
Sherry L. Temple Pruyn	Mortgage Officer, Originator
Ana Gonzalez.....	Branch Manager
Joshua Sanchez.....	Branch Manager
Patricia St. Cyr.....	Branch Manager
Donna Talarico.....	High School Branch Manager

Board of Directors

Thomas R. Faulkner, Chairman of the Board

Paul M. Accardi

Joseph J. Bevilacqua

Stuart B. Davis

Duncan C. Farmer

Thomas L. Mortimer

Richard J. Sheehan, Jr., Esq.

William J. Barron, Esq.

Mary E. Carrington

William S. Faraci, Esq.

Dana A. Fields

Christos S. Papaefthemiou

Security Committee

Paul Accardi

William S. Faraci

Thomas R. Faulkner

Thomas L. Mortimer

Christos Papaefthemiou

Audit Committee

William J. Barron

Joseph J. Bevilacqua

Mary E. Carrington

Stuart Davis

Dana Fields

Richard J. Sheehan, Jr.

Corporate Governance Committee

William J. Barron

Mary Carrington

William S. Faraci

Thomas R. Faulkner

Richard J. Sheehan, Jr.

Finance Committee

Duncan C. Farmer

Christos Papaefthemiou

Paul Accardi

Stuart Davis

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

Lafayette Square

100 Lafayette Square
Haverhill, MA 01832

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

Haverhill High School

137 Monument Street
Haverhill, MA 01832

Whittier Regional Vocational Technical High School

115 Amesbury Line Road
Haverhill, MA 01830

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

The Co-operative Central Bank Share Insurance Fund



 **Haverhill Bank**

West Newbury
2016

MSA

MSA