



THE Corporator Newsletter

FALL - 2018



Dear Corporator,

As we get closer to the end of another successful year I am pleased to report that our strong results from 2016/17 have continued this year with exceptional growth through October. We started 2018 at \$527 million in assets and as of October have now grown to \$585 million. This significant growth of \$58 million has been achieved through the extraordinary service our staff provides to our customers, together with our team oriented culture. We have also seen significant increases in loan activity in central and southern Berkshire county.

Also of interest we have seen an increased amount of activity from new customers frustrated by the level of service they were receiving from our competitors and who had heard about our excellent reputation before moving their relationships to ACB.

We appreciate your continued support of Adams Community Bank and thank you for being an advocate for us in the communities that we serve.

Sincerely,

Charles P. O'Brien
President and CEO

SPOTLIGHT- Dan Maloney, Jr.

Dan Maloney, Jr. has been a long-time Corporator of Adams Community Bank. Dan works as Managing Partner at McAndrews-King Buick GMC Inc. in Adams and is also on the school board for Charles H. McCann Technical School.



- 1. Since you were first elected in 1989 a lot has changed in the Berkshires and at the bank. How do you think Adams Community Bank has stayed relevant to the changing demographics in the Berkshires?*

In the 40 years that I've been doing both my personal and business banking with Adams Community Bank, I've seen a lot of changes in the Berkshires and at the bank. However, the two consistencies that I think people seek out and that ACB delivers on is a high standard of personal service along with products and services that stay relevant with today's changing technologies, making ACB desirable for generations.

- 2. What do you like the most about ACB?*

Hands-down the level of personal customer service is what I like most about ACB. As a business customer, I make frequent visits to my branch and always feel that I receive consistent, friendly and personal service no matter who handles my transactions. I applaud ACB for maintaining the "small town feel" over the years through their growth.

- 3. ACB strives to keep local with jobs, charitable giving and volunteer efforts. How important is this approach in connecting with the people of the Berkshires?*

I think it's certainly important and probably one of the reasons ACB continues to experience growth. By staying local with jobs, charitable giving and volunteerism ACB is showing the communities they serve that they are committed and a source of support. Another plus with staying local is that lending decisions can be made in-house and allows ACB to look at the overall customer, not just the numbers.

- 4. ACB has expanded its reach into central and southern Berkshire county in recent years with considerable success. How do you feel this county wide presence contributes to the overall success of the bank?*

Charlie O'Brien, his management team, along with the Board of Trustees have all done an impressive job balancing the needs for brick and mortar while staying relevant in technology. Acquiring Lenox National helped expand the footprint and having the right people in the right places has helped strengthen ACB as a hometown community bank.



Members of our mortgage lending team include Patty Carpenter, Maureen Baran, Jacqueline McNinch, Dawn Lampiasi, Kaylin Choquette, and Laurie Pelczynski.

RETAIL LENDING

New products aid in loan growth

2018 has been a very busy year for the retail/lending department. We launched two new mortgage products, the *ACB 100% Mortgage* and a new Jumbo product. Dawn Lampiasi and Shelli Cowdrey took the lead on launching *Loan Writer*, a new consumer loan software package that allows customers to apply for an auto loan, personal loan or cash secured loan on our website. This new process also improved customer turnaround time.

Now to the numbers:

- Comparing September 2017 to September 2018 Classified Loans were reduced by \$1.1M.
- Delinquency also saw a reduction in the same time frame from .97% at the end of September 2017 to an all-time low of .75% at the end of September 2018.
- Year-to-date residential loan originations were just below \$60M as of September 2017 compared to \$78M at the end of September 2018. This is \$18M more dollars closed thus far in 2018. The loan pipeline is strong and we see this growth continuing for the balance of the year.

The growth of the entire loan portfolio has continued in 2018. On September 30th, 2017 the loan portfolio was just under \$427M. As of September 30, 2018 the loan portfolio was \$478M which represents loan growth of over \$51M.

Achieving numbers like this, while still taking excellent care of our customers is not an easy task. The entire lending team has worked very hard to ensure that Adams Community Bank is the best bank in the Berkshires.

GOVERNMENT BANKING

Out and about

Our Government Banking Department has had a very busy year! We participated in our very first trade show at the Massachusetts Treasurer/Collector's Association Cape Conference 2018 in early June. Over 300 attendees were present from across the state consisting of treasurers, collectors, finance directors and state officials.

We also hosted an educational event for the Hampden County Treasurer/

Collector Association and our very own *Kathy Luczynski* spoke about "Cyber Security Threats, how to protect yourself and your municipality."

We have experienced tremendous growth and are now conducting business with 44 municipalities across Berkshire, Hampshire, Franklin and Hampden counties! Our government deposits have grown to an average of \$80 million.



Past and present employees enjoyed the beauty of Field Farm while recognizing ACB retirements and service awards.

Retirement & Service Awards Celebration

The ACB annual employee Retirement and Service Awards party was held at Field Farm in Williamstown in late Spring.

Past and present employees came together to honor retirees and celebrate milestone service awards.

Field Farm features spectacular views of Mt. Greylock and is set on 316 acres of conserved land with four miles of walking trails.

Congratulations to the following employees:

Retirement Recognition

Rick Gurney
Bill Whitman
Kathy LeClair

Service Recognition

30 years: Timothy Burdick
20 years: Charles O'Brien
15 Years: Wendy Dubuc
Elizabeth Trudeau
10 years: Patricia Lemoine
Theresa Sorrentino
5 years: Kelly Charon, Donna Halton,
Andrea Stump, Elena Tucker

COMMUNITY SUPPORT

Fundraising Records Set

Both of Adams Community Bank's fundraising committees proudly announced record setting fundraising efforts for their large initiatives.

PopCares & Moments House

The Fabulous Community Supporters (FCS) raised a whopping \$31,950 this year - the largest amount ever! All monies raised stay local to benefit two amazing non-profit organizations, Pop Cares and Moments House. The money was raised through a combination of employee (dress down days, lunches) and public events (golf tournament, Cinco de Mayo, pitch & cornhole tournaments) as well as some individual donations.

Alzheimer's Association

The Alzheimer's fundraising committee raised \$15,805 over the last several months through a variety of fundraising promotions and events. Some of the tried and true money raising options included selling Little Caesar Pizza Kits and Forget Me Not flowers, employee dress down days and participating in the Walk to End Alzheimer's in Cheshire MA. The committee also hosted a wine tasting at Demarsico's Winery and musical bingo at Mingo's Sports Bar.

Since 2011, our committee has raised over \$85,000 for the Alzheimer's Association.

Congratulations to both committees! These impressive 2018 tallies are the result of a lot of hard work by both committees but most importantly the support of the many generous participants.



Kris, Charlie and Melissa celebrate at the NESFS graduation ceremony.

EDUCATION

Banking School Graduates

Kris Bona, AVP of Community Relations and *Melissa Tremblay*, Commercial Loan Senior Credit Analyst graduated from the Massachusetts Bankers Association's (MBA) New England School of Financial Studies.

Both women completed the intensive two-year program in June, which included extensive classroom instruction and independent study projects. The course culminates in a comprehensive computerized simulation which challenges students to assume senior management responsibilities while operating their bank through a controlled economic environment.

Charlie O'Brien's final duties as the Chair for Massachusetts Bankers Association (MBA) was to give the commencement speech to the 2018 graduating class. Charlie shared many insights on personal and professional development for career advancement with the recent graduates.

Currently enrolled in the school are *Shelli Cowdrey*, AVP Loan Servicing and *Emma Tower*, Mortgage Underwriting Officer and will be graduating in 2019.

Recent NESFS alumni:

2016	Patricia Carpenter Dawn Canales
2017	Theresa Sorrentino Jacob Dabrowski

COMPLIANCE

Safe Guarding Customer Rights

There are many laws and regulations that are put in place for consumer protection in relation to deposit and loan products and services they obtain from financial institutions.

In order to ensure that the laws and regulations are complied with, regulators conduct periodic exams of financial institutions. Adams Community Bank is regulated by the FDIC and the Massachusetts Division of Banks (DOB). These two regulatory agencies were on site in October with 7-9 examiners conducting a compliance exam.

In order to prepare for the exam, personnel from all departments responded to 178 questions and prepared requested documents in reference to the Banks Compliance Management System, Lending Compliance, Deposit Compliance, Insurance and Investment Sales, Other Regulations and Products, Other Guidance and the Community Reinvestment Act.

EMPLOYEES

On The Move

David Eisenberg — Dave joined the Commercial Loan Department as VP of Commercial Lending. He is responsible for commercial lending in Central and South Berkshire with a focus on Lenox, Lee, and Great Barrington.



David Eisenberg

Deb Dean — After 18 years of service, Deb retired in August. Deb joined the Adams Co-operative Bank as a teller in the Park Street branch in 1999. In May of 2009 she was promoted to CSR and then in March of 2012 she was promoted to the Head Teller of the Park Street branch.



Deb Dean

Spotlight

Laila Boucher — Laila, a branch officer in Cheshire was featured in our employee spotlight. Laila explained what she likes most about working at ACB.



Laila Boucher

"The employees are like my family. I am most grateful for being given the support and encouragement for professional growth and development. The bank is a strong supporter of promoting from within which has given me the opportunity and tools needed to grow from a drive-up teller to a branch officer."

SECURITY

Scams & Fraud

There are 1.5 million cyber attacks annually. The 2018 Verizon Data Breach Report states that 58% of victims are categorized as small businesses and 76% of all attacks were financially motivated. Online crime is a real threat to anyone on the internet.

Business email compromise resulted in \$3 billion global losses, romance scams/confidence fraud reached \$220 million in U.S. losses while ransomware reached \$5 billion in global losses. Statistics are frightening enough to make some want to retreat from internet usage entirely and hide money under mattresses; but we know that will never happen! Our personal and business lives continue to grow in reliance on the efficiencies the internet provides. So knowledge is power and instead our response must be ongoing education and training to understand current and emerging threats and adopting best practices to safeguard against them. This knowledge combined with layered system and service controls is essential. Adams Community Bank is your partner when fighting these threats



and risks. One of our core values ... "Do Right by the Customer" is front and center when it comes to helping our customers fight fraud. We personally reach out to higher risk customers periodically, offer educational sessions and forums to educate customers on the environment and best practices and offer on-site training for employees. If you are interested in any of our training sessions or a personalized session for your business feel free to call **Kathy Luczynski** at 413-749-1160.

Earlier this Fall, Kathy took part in the Live Well Expo at the Tourist Center in Adams. The Expo was sponsored by the Council of Aging and educating passersby on the importance of having financial wellness and staying safe from fraud.

FINANCES

Strong Start for 2018

- Total assets have increased by \$58.1 million through the first 10 months of 2018 and sit at \$585.4 million.
- Total loans have increased by \$46 million for the first 10 months of 2018 and stand at \$484 million.
- Funding these loans is an increase in deposits of \$22.1 million, bringing deposits to \$446 million as of October 31st.

Net income stands at \$1.9 million for the first 10 months of 2018. This is right in line with budget and it is anticipated that we will have net income of \$2.3 million in 2018.

EXTRA HELP

Summer Interns

ACB gave nine interns a glimpse at the banking world this summer through internships across four departments. The fresh new faces could be seen throughout most branches and in the human resource, commercial lending and mortgage servicing departments.

In early August they were given a breakfast in their honor. Thank you to the following interns who spent the summer with us: Madison Vigna, Ally Lynch, Olivia Bresett, Alyssa Kelly, Taylor Farley, Kaylea Nocher, Mark Wong, Kayla Garabedian and Peter Barrow.

