



Franklin
Savings Bank

2020

Annual Report

Come *visit us*

Farmington | ATM & Drive Up
197-209 Main Street & 198 Front St,
PO Box 825
Farmington ME 04938
800-287-0752 - 207-778-3339
Loan Center: 207-778-2900

River Valley | ATM & Drive Up
155 Congress Street, PO Box 579
Rumford ME 04276-0579
Telephone: 207-364-7866

Wilton | ATM & Drive Up
603 Main Street, PO Box 520
Wilton ME 04294-0520
Telephone: 207-645-2583

Jay | ATM & Drive Up
9 Main Street, PO Box 30
Jay ME 04239-0030
Telephone: 207-897-3982

Rangeley | ATM & Drive Up
2573 Main Street, PO Box 650
Rangeley ME 04970-0650
Telephone: 207-864-3386

Skowhegan | ATM & Drive Up
194 Madison Avenue, PO Box 368
Skowhegan ME 04976-0368
Telephone: 207-474-5574

Ellsworth Business Center
130 Oak Street, Suite 9
Ellsworth ME 04605-1668
Telephone: 207-610-5068

Mt. Blue High School | Seasonal
Mt. Blue Campus, 129 Seamon Road
Farmington ME 04938
Telephone: 207-778-5268

www.franklinsavings.bank

Franklin
Savings Bank



Franklin Savings Bank

Banking that believes in *you.*



PROUD TO BE FSB

“I want to acknowledge and celebrate the resilience of our customers and communities in response to the challenges of 2020.”

A Message From our President & CEO

First and foremost, I want to acknowledge and celebrate the resilience of our customers and communities in response to the challenges of 2020. Additionally, I am most proud of the strength and unyielding customer focus of the employees of Franklin Savings Bank. I credit all the employees with many customer triumphs and Bank achievements in 2020, and the continued strong financial performance of the Bank.

In times of unrest, we seek security and turn to those we know we can count on. In 2020, many consumers and business owners put their trust in Franklin Savings Bank. New account growth and overall deposit growth both reached historic highs. In addition, FSB implemented systems on the fly to enable the origination of more than 500 paycheck protection program loans, providing critical support to local businesses and their employees.

As another testament to our dedication to supporting business owners, Franklin Savings Bank was recognized by the Finance Authority of Maine (FAME) as a recipient of their 2020 Lender At Work For Maine Award and by the Small Business Administration (SBA) with their District Director Award.

In 2020, we increased the financial support of our communities. We added much-needed funding for stretched school meal programs and scholarships specific to high school graduates attending Technical or Trade schools.

The dedicated staff at Western Mountain Financial Services continued their commitment to serving as Trusted Advisors to their clients. This commitment resulted in continued growth in assets under management.

In this report, you will see that we have spotlighted the retirement of Mary Ellen Carpenter. Mary Ellen served on the Board of Directors, effectively representing the Skowhegan and Somerset markets for 17 years. I extend my sincere thanks and best wishes to her.

With this 2020 Annual Report, we are excited to introduce the new Franklin Savings Bank logo and branding. The new look and feel is a result of a comprehensive rebranding initiative that started with a redesign of the FSB website launching this summer. The logo and icon are changing, but our unwavering mission of Franklin Savings Bank and long-term commitment to our customers and communities remain.

As I reflect on the events of 2020 and the unforeseen circumstances we all faced, I find myself grateful. I am thankful for the dedication of the FSB team, the oversight of the Board of Directors, the ongoing support of our Corporators, and our customers that recognize the value of choosing Franklin Savings Bank as their financial partner.

Proud to be FSB!

Tim Thompson
PRESIDENT & CEO

Rebranding

Over the last few years, we made decisions to take us to the next level to benefit employees and customers alike. It started with a deep dive into our brand, utilizing internal questionnaires, customer and general banking surveys, in addition to consumer and industry data. Extensive research and a strategic foundation guided our brand direction.

Icon Story

Our resulting icon story is a fresh, clean and modern approach that embodies three key themes:

- **People:** Customers, employees, business owners
- **Community:** Welcoming, supportive, together, Maine, local
- **Franklin:** Brand, name, friendly, committed, trusted



PEOPLE



COMMUNITY



FRANKLIN

Our new icon represents every person who interacts with Franklin Savings Bank as the heart and center of our communities. It balances strength and openness with open-door honesty. The revolving circles represent a round table of people. The design also reflects strength in numbers and structure, part of Franklin's core.

In addition to the new logo, we've adopted a new color palette that encompasses a warm yet vibrant feeling, utilizing colors familiar in Maine scenery. FSB is more than a "blue bank." We have an exuberant staff and product offerings mix that meet the needs of customers at any life stage.

Retirements

MARY ELLEN CARPENTER

In December of 2020, Mary Ellen Carpenter retired from our Board of Directors after serving the bank for 17 years. Mary Ellen proudly represented the Skowhegan community where she lived and worked for many years. She also owned and operated Shear Pleasure Hair Styles Inc. When she wasn't working, she generously gave much of her spare time to volunteer within the community. She previously served as a Director of the Skowhegan Chamber of Commerce, as well as on the fundraising committees for both Lakewood Theatre and Playground Committee, and as the President of TAPS (Taking Action to Promote Skowhegan). Mary Ellen's involvement in the community and experience as a small business owner added great commercial and community perspective to Board discussions. In her retirement from the board of directors, Mary Ellen looks forward to more time with her family, friends and husband Charles Carpenter Jr. We sincerely appreciate Mary Ellen and her contributions over the years in Franklin Savings Bank's success.



Bank Financial Highlights

Assets

Cash & Due from Banks	\$39,667,783
Bonds	8,315,505
Stocks	1,442,550
Mortgage Loans	352,506,450
Other Loans	69,698,152
Allowance for Loan Losses	(3,900,000)
Bank Premises & Fixed Assets	4,850,706
Other Assets	16,486,808

TOTAL ASSETS **\$489,067,954**

Liabilities

Deposits	\$373,351,866
Other Liabilities	6,875,818

TOTAL LIABILITIES **\$380,227,684**

Equity Capital

Surplus and Reserves	108,840,270
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TOTAL LIABILITIES & EQUITY CAPITAL **\$489,067,954**

Memorandum: Letters of credit outstanding not included in above figures. **\$465,000**

Statement of Earnings

Interest and fee income on loans	21,465,895
Interest and dividend income on investments	409,676
Non-interest income	3,516,194

Total interest and other income **\$25,391,765**

Interest paid on deposits	1,807,309
Other non-interest expense	18,511,098

Earnings after interest & other expenses **\$5,073,358**

Net Gains (losses) on securities 10,025

Earnings before taxes **\$5,083,383**

Income taxes 1,116,100

Net income for period **\$3,967,283**

2020

AT A GLANCE



\$489M

Asset size at 12/31/20



63.75%

Customers utilizing online and mobile banking



3

New services



\$150M

In loans made



3,300

Jobs supported through PPP program



15

New employees

Community Involvement

In a year where events were few and far between, FSB continued to show community support in many ways.

Scholarships

\$48k

in scholarships, with \$36k going to students looking to pursue a degree in a business-related field.

To School Food Pantries

\$48k

In donations to nine local districts to help cover the costs of summer meal programs in 2020.

“The School District Food Directors and their workforces are extraordinary. I am thankful that Franklin Savings Bank is able to help support these critically important programs.”

– **TIM THOMPSON,**
PRESIDENT & CEO

In 2020, FSB added a new scholarship aimed at students looking to attend a technical or trade school. This scholarship awards a total of \$12,000 divided between 4 area high school technical centers.

This \$3,000 annual scholarship is available to graduating seniors who attend Foster Career and Technical Center, Somerset Career and Technical Center, Hancock County Technical Center, and the Region 9 School of Applied Technology.

For some districts, donations have helped cover some of these unforeseen expenses. FSB donated a total of \$48K to nine local districts to help cover the costs of summer meal programs in 2020. These districts being: RSU #9, RSU #10, RSU #54, RSU #56, RSU #73, MSAD #44, MSAD #58, MSAD #59, and the Ellsworth School Department.

“This is an especially challenging time for our communities. I am in awe at the number of meals being provided by these school programs. Some of these food programs started back in March when the schools closed,” said Tim Thompson, President and CEO of Franklin Savings Bank. “The School District Food Directors and their workforces are extraordinary. I am thankful that Franklin Savings Bank is able to help support these critically important programs.”

Local Non-Profits Helped

\$298k+

in donations to **local nonprofits** that help better our communities.

Fundraisers

\$500+

raised for pantries around the holidays through Blue Jean Friday’s fundraisers, which allow employees to wear jeans on Fridays with a \$2 donation.

PPP Loans

\$20M+

500+ PPP loans. These loans have helped support more than 3,300 jobs.



Success

Western Mountain Financial Services

The team at Western Mountain Financial Services provide various financial planning and wealth management services to their clients and bank customers. From establishing individual retirement accounts to saving for college, their expertise and professionalism aid clients in becoming more financially prepared for life. WMFS serves individuals and businesses within our communities and across 28 states.

2020 represented another successful year for the staff at Western Mountain Financial Services. Assets under advisement grew 10 percent to more than \$351,000,000. This growth was supported by a positive increase in both new clients and number of accounts.

The team at Western Mountain Financial Services includes Aaron Knapp, LPL Financial Advisor and program manager, Jared Ranger, LPL Financial Advisor and OSJ, Lisa Thompson, Financial Services Office Administrator, Amy Bond, LPL Registered Sales Assistant, and Penny Meservier, Financial Services Assistant.

From establishing individual retirement accounts to saving for college, their expertise and professionalism aid clients in becoming more financially prepared for life.



WESTERN MOUNTAIN FINANCIAL SERVICES
198 Front Street, Farmington, ME 04938
Telephone: 800-300-9779 / 207-778-9779
WesternMountainFinancial.com

Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC). Insurance products are offered through LPL or its licensed affiliates. Franklin Savings Bank and Western Mountain Financial Services **are not** registered as a broker-dealer or investment advisor. Registered representatives of LPL offer products and services using Western Mountain Financial Services, and may also be employees of Franklin Savings Bank. These products and services are being offered through LPL or its affiliates, which are separate entities from, and not affiliates of, Franklin Savings Bank or Western Mountain Financial Services. Securities and Insurance offered through LPL or its affiliates are:

Not Insured by FDIC or Any Other Government Agency	Not Bank Guaranteed
Not Bank Deposits or Obligations	May Lose Value



Expertise

Board of Directors

Bradford S. Adley	Matthew P. DuBois**	Richard M. Walker
Robert L. Berry III	Peter L. Judkins	James M. Witt IV
Mary Ellen Carpenter*	Richard H. Smith	
Gary M. Downs	Timothy J. Thompson	William J. Bernard, <i>Dir. Emeritus</i>

Board of Corporators

Bradford S. Adley	Richard B. Gould Jr.	Thomas N. Puia
Deborah Aseltine	Marco A. Grimaldi	Mark S. Remick
Noel E. Austin, DMD	Curtis C. Haley	Jan Roberts, MD
Robert L. Berry III	Kenneth J. Haley	Bruce A. Ross, DMD
Jennifer F. Bjorn	Duane A. Hardy	Ronald W. Savage
Caitlin J. Bogar	Barbara B. Hitchcock	Thomas L. Sawyer
Stephen S. Boivin	Mary B. Howes	Gary J. Shaffer
Brenda L. Brochu	Leroy Ireland	Juanita B. Smith
Jon L. Bubier	Pamela I. James-Powers	Richard H. Smith
Donald J. Castonguay	James A. Jannace	Lynn M. Soriano-Noyes
Jeffrey A. Chaisson	Craig A. Jordan	Roger J. Soucy Jr.
Linda S. Cipriano	Peter L. Judkins	Douglas F. Spencer
Mark J. Cote	Aaron C. Knapp	Brian St. Louis
Laurie A. Danforth	Jennifer F. Kreckel	Robert H. Susbury Jr.
Shelley W. Deane	Barbara K. Larson	Steven J. Swasey
Daniel S. Dipompo	Charles C. Laverdiere	Timothy J. Thompson
Gary M. Downs	Frederick H. Marshall III	Robert A. Thorndike
Caryn Dreyfuss	Justin L. Merrill	Peter F. Tracy
Matthew P. DuBois	Paul H. Mills	Kevin L. Vining
John H. Duffy	Jessica L. Nichols	Richard M. Walker
Sally A. Dywer	James A. Nicols Jr.	Bruce D. Waugh
James L. Eastlack	Troy A. Norton	Robert C. Welch
Patricia A. Ellis	Gary F. Paling	James M. Witt IV
Ronald A. Gelinas	Meredith J. Pike	Katherine W. Yardley

FSB Bancorp MHC Board of Directors

Richard M. Walker, <i>Chairman</i>	Bradford S. Adley	Timothy J. Thompson
Gary M. Downs, <i>Vice Chairman</i>	Robert L. Berry III	James M. Witt IV
Mary Ellen Carpenter *	Peter L. Judkins	
Matthew P. DuBois **	Richard H. Smith	

* Retired
** Joined Board March 2021

Officers

Farmington

Timothy J. Thompson, President, Chief Executive Officer	Amy M. Hebert, Vice President, Commercial Credit Risk Officer	Melissa A. Spencer, Human Resources & Benefits Officer
Shelley W. Deane, Executive Vice President, Administration & Human Resources	Cindy A. Spencer, Vice President, Credit Risk Management	Beckie L. Bowering, Business Solutions Officer
Derek W. Hayes, Senior Vice President, Director of Commercial Lending	Nancy W. Jones, Vice President, Underwriter Loan Service	Kelsea L. Pinkham, Assistant Vice President, Human Resource Officer
Brad A. Martin, Senior Vice President, Director of Information Technology	RaeAnn A. Pike, Vice President, Commercial Loan Officer	Heather L. Erskine, Assistant Vice President, Loan Compliance Officer & Internal Audit Coordinator
Lorna D. Niedner, Senior Vice President, Director of Residential & Consumer Lending	Christine A. St. Laurent, Assistant Vice President, Loan Officer	Courtney G. Austin, Marketing Officer
Morgan A. Allarie, Senior Vice President, Director of Branch Administration & Deposit Services	Bett E. Hardy, Assistant Vice President, Loan Processing Manager & Underwriter	Sarah J. Baker, Loan Servicing & Collections Officer
Pamala J. Dixon, Senior Vice President, Chief Financial Officer	Bernice P. Cote, Vice President, Customer Service & Branch Manager	Lindsay E. Coolidge, Loan Officer
Deidre C. LaPlant, Senior Vice President, Director of Operations & Compliance	Joanna K. Champagne, Operations Officer	Heidi A. Lee, Mortgage Underwriting Officer
	Elizabeth K. Beaudoin, Loan Officer	Amy E. Smith, Loan Officer

Branch Locations

Diane M. Perry, Vice President & Branch Manager River Valley	Amanda L. Lee, Assistant Vice President & Branch Manager Jay	Amanda A. Look, Vice President, Commercial Loan Officer Ellsworth Business Center
Richard E. Allen, Vice President, Commercial Loan Officer Rumford	Leeanna J. Wilbur, Vice President & Branch Manager Rangeley	Timothy F. Tunney, Vice President, Commercial Loan Officer Ellsworth Business Center
Leanne Gagne, Assistant Vice President, Loan Officer Rumford	Deann M. Trafton, Loan Officer Rangeley	Jared P. Ranger, LPL Financial Advisor, Western Mountain Financial Services
Curtis R. Smith, Assistant Branch Manager Rumford	Patrick A. Dore, Vice President & Branch Manager Skowhegan	Aaron C. Knapp, LPL Financial Advisor, Western Mountain Financial Services
April M. McLean, Loan Officer Rumford	Sherri A. Lewis, Assistant Branch Manager & Loan Officer Skowhegan	