

# 2023

PISCATAQUA SAVINGS BANK ANNUAL REPORT 2023



**PISCATAQUA  
SAVINGS BANK**





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SAVINGS BANK

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Portsmouth's Local Bank Since 1877





Joan W. Gile

## Message From the President

It would be an understatement to say that 2023 was a challenging year for financial institutions.

In the Spring, there were three

bank failures in the U.S. that resulted in increased regulatory scrutiny for all banks. Although the industry has had some poor performers, our banking system is predominantly strong. 8 in 10 Americans are happy with their bank. Piscataqua Savings Bank has weathered economic ups and downs for 146 years and is probably more aware than most that finance is a long game.

The Federal Reserve kicked off one of the most severe monetary policy tightening cycles they ever imposed in March of 2022 when they raised the benchmark Federal Funds rate governing inter-bank borrowing. The Federal Open Market Committee continued to consistently raise this rate by varying levels until their July 2023 meeting, reaching a total increase of 5.25% over sixteen months and driving Treasury instrument yields higher alongside- principally short-term instruments. This action was deemed necessary to fight inflationary pressure and it dramatically inverted the yield curve, diminishing the ability of the banking sector to operate profitably.

Bank balance sheets are built out longer on lending that serves the community. Investments supplement earning assets. During the lower-for-longer rate environment between the Financial Crisis and the Pandemic, Piscataqua Savings Bank added some duration to loan and investment portfolios to capture some yield. A rapid rise in rates makes these assets worth less and they take time to mature and/or reprice. Funding costs for deposits and borrowing started to creep

up in 2022 but it takes some time with the traditional model associated with retail deposit gathering.

Hence, 2022 was a comfortably profitable year for the Bank. Government money market funds paying over 5% (because they are invested in Treasuries) caught up in 2023 and became extremely formidable deposit competition. The traditional retail tool for community banks to counter with is the certificate of deposit. Raising these rates firmly took hold in 2023 and the Bank generated only a very modest profit. With these costs locked in for 2024, management anticipates the inability to generate positive earnings. Fortunately, the Bank holds one of the highest Capital ratios in the State to insulate against exposure during times such as these. With what appears to be the top of this cycle for rates at hand, we look forward to better times in 2025.

The Loan Department weathered a turbulent year in the mortgage and real estate markets. With rising interest rates approaching 8% for a 30-year fixed mortgage, the highest in over 20 years, potential home buyers attempted to navigate skyrocketing home prices and the lowest housing inventory in decades. Despite all these factors, we were able to close out the year with our loan portfolio of over \$200 million. This has only happened once before. We originated sixty-six new loans totaling over \$20 million and continued to provide unmatched customer service with a personal touch for both our new and existing customers.

The Trust & Investment Department ended the year with assets under management of \$320,228,817, down 2.86% or \$9.4 million for the year; attributed to several large estate settlements partially offset by market gains. New business for the year brought in \$23.9 million. Account composition consisted of 57% investment management, 29% fiduciary, and 14% in retirement and custody accounts.

The department completed our fifth consecutive year with revenue over \$2 million; finishing at \$2,199,958.

Operating expenses were up 12.86% from the prior year, largely due to increased staff/pension expenses. Trust & Investment's annualized efficiency ratio (cost to earn a dollar of income) was 77.9% slipping from 67.2% a year ago.

The Trust Department is continuing to identify and manage risks by developing mitigating controls. Trust is completing a project with an outside vendor for a back-up contingency for trust operations.

Trust's well-credentialed team, along with the Bank's Business Development Officer, have been complementary to our continued success. The Department takes a holistic collaborative approach to assist our clients in achieving their financial goals, using outside professionals and internal resources. For trust & estate awareness this year, we marketed the Department by having a speaker series with a collateral marketing table in the lobby. We continued to offer educational credits to centers of influence with a monthly video conference. Assets under management remain the key to the Department's success.

Piscataqua maintains the priority of supporting the Seacoast community. In 2023 we donated \$147,000 to 132 organizations. PSB provides 16 hours of paid volunteer time and in 2023 employees used 118 hours, a 281% increase from 2022. In total, the Board and Employees volunteered 3598 hours throughout the year.

Community support goes beyond the dollars that we give and the hours that we spend volunteering. With the leadership of the Community Support Coordinator, Wanda Fontaine, the staff participated in several community service activities. These included collecting wish list items for Crossroads House, a food drive for Footprints Food Pantry in Kittery, two "Jeans Days" collecting money for I Got Bridged and New Generations and supplying three children at Crossroads House with their back-to-school clothing needs. The employees' favorite activity for the year was the adoption of

two Seacoast Community School families at Christmas, a single mother of one and a mom and dad with five children. Seventy-three wish list tags were filled along with \$620 in gift cards and other items. All this is possible because of the generosity of our staff.

In 2023 we completed a new 3–5-year strategic plan. This plan was a result of input by Corporators, Staff, Management, and the Board of Trustees. Conversations around the Bank's long-term outlook included managing growth as independence and mutuality more important than the Bank's overall size, continuing to support and invest in the local community through mutually beneficial approaches,



leveraging partnerships to expand and diversify product and service offerings, and growing customer relationships. Focusing on a supportive and collaborative workplace culture while maintaining high standards as demonstrated by the Bank's B Corp status. PSB is ready for whatever 2024 brings and will continue the tradition of supporting our community, customers, and employees.

Joan W. Gile  
President & CEO

# 2023 by the Numbers

“ On behalf of the thousands of children who will benefit from CMNH initiatives this year, thank you so much. We couldn’t continue our work without supporters like you.

**Monique Deforge**  
Director of Development & Community Engagement, Children’s Museum of NH



35%

Total female officers,  
including a 43% female  
board and female  
President/CEO



\$147K

In donations given to  
132 unique  
organizations  
(including tax credits)



3,598

Volunteer hours,  
A 6% increase  
over last year



\$12.2M

Total HELOCs  
originated



\$20M

Loan originations



\$5K

In CDFA tax credits  
given to organizations

“ The staff, the board of directors, and I thank you for your commitment to our organization. I feel the love every time I come into the bank to make a deposit for the Child Advocacy Center. We may very well have our own cheering section.

**Maureen Sullivan**  
Executive Director, Child Advocacy Center





## 2023 B Corp Impact

### Measuring a company's entire social and environmental impact.

At Piscataqua Savings Bank, we believe that banking is more than just transactions; it's about fostering sustainable growth, empowering individuals, and enriching our community. As a certified B Corporation, we are committed to redefining the role of banking in society, placing equal emphasis on both profit and purpose.

Since 1877, we have understood that the strength of our community bank lies not only in financial performance but also in the positive impact we make on the lives of our customers, employees, and the broader community. These are the foundational pillars PSB has been built on.

The B Corporation movement began in 2006 with a mission to set apart businesses that meet high standards of social and environmental performance, transparency, and accountability. To quote our past president Rick Wallis, "We have been a B Corp since 1877." Our journey as a B Corp has propelled us to integrate social responsibility into every facet of our operation, from decision-making processes to community partnerships.

In this impact statement, we proudly share the strides we've made and the milestones we've achieved in our pursuit of holistic prosperity. By promoting and supporting local initiatives, our commitment to sustainability, transparency, and accountability remains unwavering.

As we navigate the ever-evolving landscape of finance, we remain steadfast in our dedication to creating meaningful change. Together, we continue to build a brighter, more inclusive future—one transaction, one relationship, one community at a time.

The organization responsible for certifying B Corporations, B Labs, continues to raise the bar in its B Impact Assessment of members' social and environmental business standards, along with its baseline requirements. With hard work and dedication, we managed to increase our scores in almost all categories.

On March 8th, 2023, Piscataqua Savings Bank completed the B Labs recertification process with an impact score of 97.4 – a nearly 20% increase from 81.2 when we first joined the B Corp movement in 2019.

Our work is not done yet. In fact, it is just beginning. Over the next three years we will be identifying new initiatives to continue our mission to create benefit for all our shareholders: workers, community, customers, and the environment.

To facilitate these new initiatives, PSB has created "B" Better, a group open to all employees. This group covers areas such as diversity and inclusion, volunteering and taking a deep dive into each section of B Corp assessment. This will yield a two-fold result. First, it will educate employees on the process of remaining B Corp certified and second, as a group we will set goals with an objective to increase our B Corp impact and track our progress towards accomplishing them. The whole point is that there is no finish line, there are always opportunities for improvement and our mission will continue.

**Thank you for joining us on this journey of purpose-driven banking.**

**Antone Cabral**  
B Corp Officer

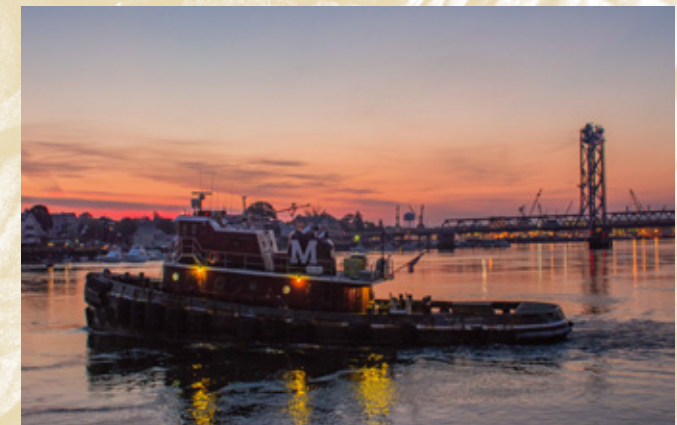
“ Thanks to supporters like you, we are able to provide a space for the community to share in transformative experiences, engage in meaningful discussion, and serve artists and audiences in impactful ways.

**Beth Falconer**  
Executive Director, 3S Artspace



“ We can't thank you enough for this generous donation! Piscataqua Savings has been a long and loyal supporter of our education programs and that support is greatly appreciated!

**Rich Clyborne**  
Executive Director, The Gundalow Company



## B Impact Report Scores

The B Impact Report is the summary of a company's scores on the B Impact Assessment by category. *Certified March 2023.*

Environment	8.8
Workers	31.7
Customers	12.1
Community	23.1
Governance	20.9
Overall	97.4

“ Reaching out simply to say, “THANK YOU” for going above and beyond for the Little sisters. Our request was unusual and I don't know many financial institutions that would fulfil that request. It really says a lot about how you take care of your loyal customers.

**Drew Godfrey**  
Director of Community Relations, Benchmark Senior Living



# Community Support



**Community Food Drive**  
Food donations and \$95 in donations were collected to reduce the impact of hunger in the communities of Kittery and Eliot.



**Portsmouth 400 Parade - Kids' Bank**  
Employees volunteered to answer questions about the bank, hand out popcorn, and our special guest "Tom" the bear made an appearance while people gathered in town to watch the parade.



**Crossroads House**  
Employees sponsored three local children with their back-to-school clothing needs.



**Seacoast Community Lunch**  
Two employees each month went to Middle Street Baptist Church and helped serve lunch.



**Crossroads House**  
Wish list items were donated by employees, and in addition they raised \$453 in cash.



**5th Annual Community Shred Day**  
The community shredded personal documents safely and securely.



**United Way Day of Caring**  
Eight Employees spent the day sprucing up Little Blessings Daycare.



**3rd Annual Beach Clean Up**  
Employees collected trash from Peirce Island and Four Tree Island.



**Jeans Day**  
For every \$5 donation employees were able to wear jeans. We collected \$145 for I Got Bridged, an organization bridging the gap for people in need on the Seacoast.



**Jeans Day**  
We collected \$115 for New Generation, a program whose mission is to end homelessness among mothers and children.



**Seacoast Community School**  
Employees adopted two families. Seventy-three wish list tags were filled. Employees donated \$620 to purchase items and the rest were filled by donated items.

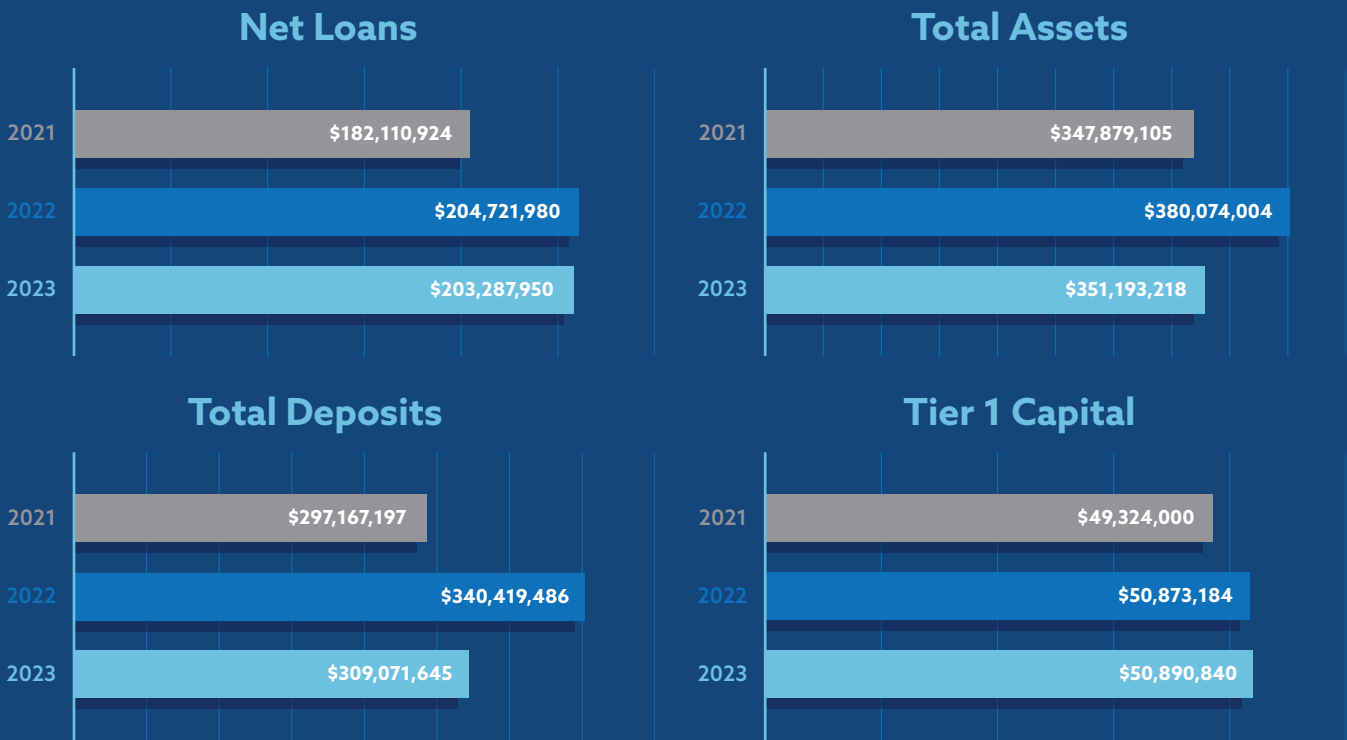
“Thanks again for your continued support and kind words about our work. We feel grateful to live in this community and to have generous businesses like yours helping nonprofits do their work!”

**Kirsten Mahoney**  
SWGCM Membership Chair

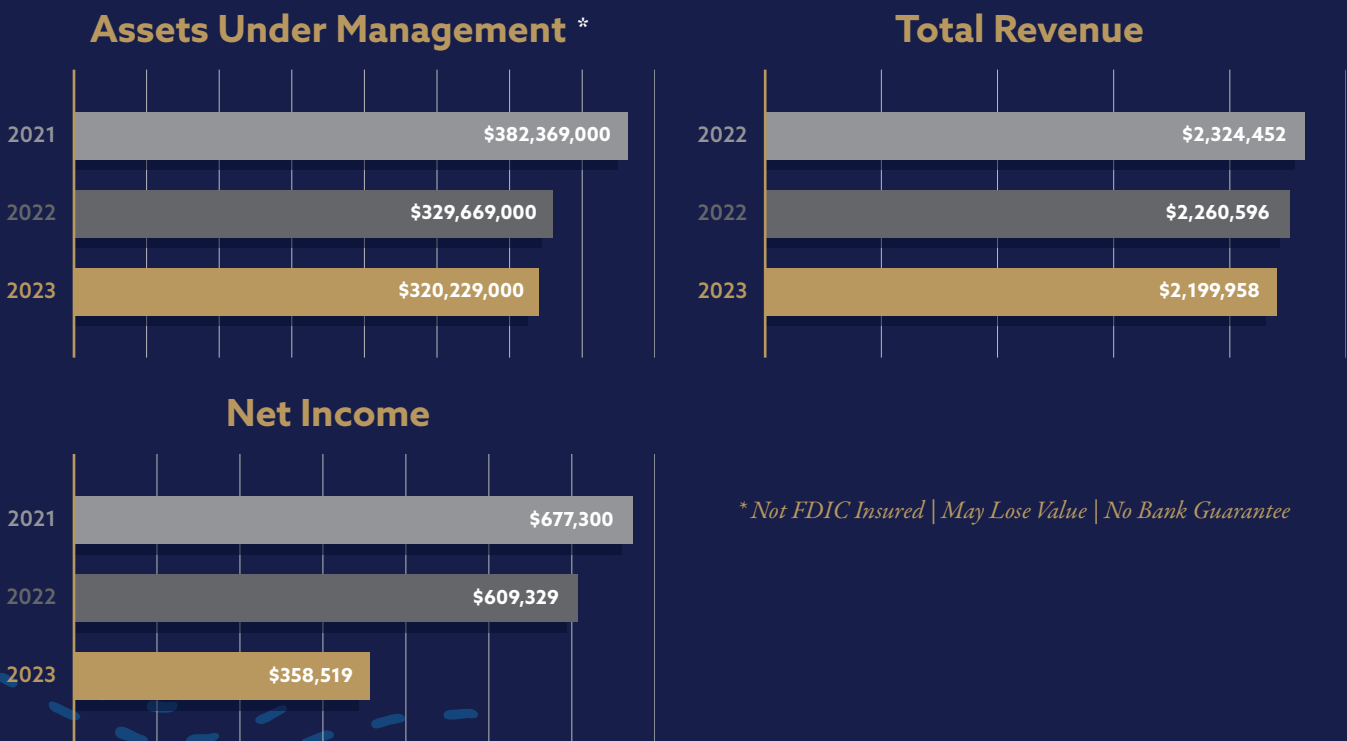
## Community Contributions

Code	Total	Code	Total
Arts (A)	\$33,542.50	Political (P)	\$2,000.00
Housing (C)	\$5,700.00	Seniors (S)	\$10,500.00
General (G)	\$51,256.00	Youth (Y)	\$20,272.08
Health (H)	\$23,850.00	Total	\$147,120.58

# Assets, Deposits & Capital



# Trust & Investment Department



\* Not FDIC Insured | May Lose Value | No Bank Guarantee

# Balance Sheet

## Consolidated Balance Sheet

ASSETS	
Cash & Due From Banks	\$15,687,440
Short-Term Investments	\$126,576
Total Cash & Equivalents	\$15,814,016
Certificates of Deposit	\$4,674,409
Securities Available-For-Sale, Fair Value	\$99,828,008
Equity Securities, Fair Value	\$0
Federal Home Loan Bank Stock, Cost	\$191,000
Loans	\$204,998,362
Less: Allowance For Loan Losses	(\$1,710,412)
Net Loans	\$203,287,950
Banking Premises & Equipment	\$7,251,226
Accrued Interest Receivable	\$1,008,435
Bank Owned Life Insurance	\$11,923,181
Other Assets	\$7,214,993
Total Assets	\$351,193,218
LIABILITIES & CAPITAL	
Deposits	\$309,071,645
Mortgagors' Escrow Accounts	\$512,125
Accrued Expenses & Other Liabilities	\$1,364,327
Total Liabilities	\$310,948,097
Capital:	
Undivided Profits	\$50,890,840
Accumulated Other Comprehensive Income (Loss)	(\$10,645,719)
Total Capital	\$40,245,121
Total Liabilities & Capital	\$351,193,218

## Consolidated Statement of Income

INTEREST & DIVIDEND INCOME:	
Interest & Fees on Loans	\$7,896,649
Interest & Dividends on Securities	\$2,119,779
Other Interest	\$950,547
Total Interest & Dividend Income	\$10,966,975
Interest Expense on Deposits	(\$5,751,666)
Net Interest & Dividend Income	\$5,215,309
Provision for Loan Losses	(\$890)
Net Interest & Dividend Income After Provision	\$5,216,199
OTHER INCOME	
Customer Service Fees	\$133,856
Trust Department Fees	\$2,199,935
Net Gain on Loan Sales	\$0
Loan Servicing Fees	\$68,331
Gain on Sale of Available-for-Sale Securities	(\$56,952)
Unrealized Gain on Equity Securities	\$0
Miscellaneous	\$328,685
Total Other Income	\$2,673,855
OPERATING EXPENSES	
Salaries & Employee Benefits	\$5,014,933
Occupancy & Equipment	\$843,073
Data Processing	\$569,226
Other General & Administrative	\$1,443,190
Total Operating Expense	\$7,870,422
Pre-Tax Income	\$19,632
Income Taxes	(\$21,014)
Net Income	\$40,646



Bank Officers

- Joan W. Gile**  
President/CEO

**David H. Bryan**  
Chief Financial Officer

**Antone Cabral**  
Senior Vice President/  
Senior Information  
Technology Officer

**Paul Alix**  
Vice President/  
Senior Loan Officer
- Wanda Fontaine**  
Vice President/Operations Officer

**Gregory Doolittle** CRCM, CAMS  
Vice President/  
Compliance & Audit Officer

**Benjamin Wheeler**  
Vice President/Business  
Development Officer

**Steffany Gallant** SHRM-CP  
Assistant Vice President/  
Human Resources
- Neil Cremin**  
Loan Officer

**Cheri DeLorge**  
Loan Officer

**Matthew Gordon**  
Assistant Vice President/  
Assistant Treasurer

Trust & Investment Services Officers

- Thomas J. Queeney**  
CFTA, CFP®, AEP®  
Vice President/Senior Trust Officer
- Brianna Adams** JD, LLM  
Vice President/Senior Fiduciary Officer
- Michael Rodier** CFP®, SCRIC®  
Vice President/Senior Portfolio Manager
- George Rooney** CFA®  
Vice President/Portfolio Manager

Staff

- Gail A. Armsden

Mary Ayer

Sarah Briolat

Heidi Byers

Morgan Cole

Veronica Doe

Kevin Doris

Keith Driscoll

Jennifer M. Dumont

Colin Dwyer

Emma Edwards

Ray Faulkner
- Hannah Ferguson

Susan R. Hauge

Jon Houghton

Michelle R. Jenkins

Joshua Johnson

Tina Libby

Ana Malone

Michele Millett

Christine Peete

Julianna Simonds

Gianna Taormina

Laurie Trombetta

“Your support plays an essential role in Greater Seacoast Community Health’s ability to not only treat illness but to maintain wellness. We deeply appreciate your commitment to a healthier and more resilient community.

**Joann Neumann**  
Development Director, Greater Seacoast Community Health

Corporators

- Kevin F. Adams

Karen Alder

Joseph J. Almeida

Michael J. Asselin

Timothy M. Barnhorst

Christopher H. Brown

David H. Bryan

Antone Cabral

Robert A. Casassa

Kenneth R. Clark

Penelope (Phelps) Craig

Margot Doering

Deborah A. Driscoll

Lisa S. Dumont

Timothy J. Durkin

Amy C. Ferris

Jay S. Gibson

Joan W. Gile

Terri L. Golter

Cornelia C. Gray

Jennifer M. Gray

Russell B. Grazier Jr.

Charles A. Griffin

Nora S. Happny

Robert J Harbeson

Shannon Harrison

David J. Haskins (DJ)

Richard C. Holt

Gregory C. Johnson

Richard G. Kaiser

Mary Jane Shanley Keane

Dexter R. Legg

Robert Lister

Peter J. Loughlin

Denise Magnant

Jennifer Crompton Marchewka

John McCune
- Alec L. McEachern

Mark A. McNabb

Jeffrey Mountjoy

Evan T. Mullen

Michael J. Murphy

Peter Neuffer

Nancy E. Notis

Francie Osgood

James F. Petersen

Philip L. Pettis

James Piper

Thomas J. Queeney

John Ricci

Alan M. Robinson

Elisabeth Robinson

Rodney D. Rowland

A. John Sacramone

James H. Sanders

Thomas J. Sedoric

Maureen Semprini

Wayne P. Semprini

Andrea L. Sennott

Barbara Shea-Smucker

Christopher Snow

Victoria Sol

Curtis Springer

Maureen Sullivan

Margot Thompson

A. Robert Thoresen

Emil R. Uliano

Richard M. Wallis

Susan G. Wolf

Trustees

- Christopher H. Brown**  
Chair

**Alan M. Robinson**  
Vice Chair
- Joseph J. Almeida**

**Margot Doering**

**Joan W. Gile**

**Philip L. Pettis**

**Elisabeth Robinson**



“Your contribution serves as a beacon of hope for those in need, reminding them that they are not alone in their struggles. Through the generosity of organizations like PSB, we can continue to provide essential support to hospice patients facing challenging circumstances. Thank you for your incredible support. I am grateful to have you as a valued partner in our mission.

**Marsha Filion**  
Executive Director, Hospice Helps





**PISCATAQUA  
SAVINGS BANK**

**piscataqua.com**

15 Pleasant Street • Portsmouth, NH 03801

(603) 436-5250 • (800) 286-5254



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**B**  
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Member  
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