



# Annual Report 2020



Washington<sup>SM</sup>  
Financial Bank





JULY 2019

WFB once again receives 5-Star Rating for Financial Strength



AUGUST 2019

WFB supports "Peanuts for Pins" at PONY League World Series to benefit "Blessings in a Backpack" for Washington Christian Outreach

## Our Message to You

Since our founding over 120 years ago, our community has persevered through wars, depressions and recessions, global pandemics and almost every other challenge a community can face. Through all these challenges, it is the resilience of you, our neighbors and customers, that has carried this community from one generation to the next. For five generations, one thing has also remained unchanged – our commitment to you. At Washington Financial Bank, we will always place your needs first and we pledge to continue to offer the best financial services available in the marketplace.



SEPTEMBER 2019  
WFB staff begins annual participation in Junior  
Achievement classroom education

## Our Philosophy

Our guiding philosophy remains based upon respect and integrity and we are dedicated to creating true value in our relationships. We do what we say we will do – for each other, for our customers and for our communities.

## Our Performance

Washington Financial Bank ended another record year on June 30, 2020 with assets of \$1.25 billion reflecting an annual growth rate of 7.5%. Our loan portfolio continues to reflect balanced, solid growth in the residential, consumer, and commercial categories with deposit growth a healthy 7.6% year-over-year.

The Bank's capital position at June 30, 2020 once again earned a 5-star rating from the nation's premier bank rating firm, Bauer Financial. For 123 consecutive quarters, Bauer has recognized Washington Financial Bank for its financial strength and capital ratios that far exceed all regulatory levels.



OCTOBER 2019

WFB launches Everfi Achieve Consumer Financial Literacy Program

## Our Market

While we recognize that many of our customers are rapidly shifting to a completely digital banking option, we also understand the need to offer a consistent and robust in-person banking experience. Our footprint is expanding once again as we add an eleventh office to our branch network. Opening in October of 2020, Washington Financial Bank's Finleyville branch will complement the Bank's northern Washington County locations and will mark another year of branch expansion for us. This full-service office, located on Route 88 in Finleyville, will offer the complete suite of both personal and business banking services you have come to expect from us. We are looking forward to expanding our customer base in this area and to providing enhanced convenience for our current Washington Financial Bank customers.

## Our Services

Early in 2020, we re-branded our rewards checking suite as Rebellion Checking to reflect the rich history we share with our region. This suite of accounts remains our most popular as account holders earn cash-back, app store credits or higher interest rates. With best-in-class capabilities combined with no monthly fees or balance requirements, it is not surprising that we have seen great growth in new customers with this offering.

In keeping with our commitment to ensure that your experience with us is top-notch, we have pledged to review and to enhance every touchpoint in your banking experience with Washington Financial Bank. In fact, we have developed a comprehensive company-wide plan to elevate every interaction, both in-person and through our digital platforms. Our commitment to deliver best-in-class services remains steadfast and we are devoting significant resources to carry this vision forward. You can expect to see not only significant enhancements to our current processes and offerings but also a series of new technologies that will ensure this best-in-class service experience. We welcome your feedback throughout this process so that we can ensure we are honoring our commitment to you.





**NOVEMBER 2019**  
WFB employee committee begins funding for "A Little Lift" program to benefit Blueprints clients



**DECEMBER 2019**  
WFB Sponsors Canonsburg Old Fashioned Christmas celebration  
WFB hosts Santa for local non-profits



JANUARY 2020

WFB launches “.bank” domain secure website address



FEBRUARY 2020

WFB premieres Rebellion Checking Suite rewards accounts



## Our Technology

At Washington Financial Bank, the security of your financial information is one of our top priorities. To that end, we employ the highest levels of industry leading technologies to safeguard the information you have entrusted to us. Our team of information technology experts holds the highest levels of security certifications and we continually invest in new talent in this area. We continue to devote significant monetary resources to ensure that the technologies utilized by Washington Financial Bank to protect your privacy are state-of-the-art. This ever-changing and increasingly essential component of our business is monitored continually as part of our normal operations. We have also changed our website address to the more secure “.bank” domain to further protect you and your financial information. Because the .bank addresses are only approved upon strict due diligence of authenticity of the request, it provides an additional layer of security to ensure authentic communication with Washington Financial Bank.



# Our Community Outreach

When you have been an integral part of a community for more than a century, you clearly recognize the importance of supporting the people and the organizations that provide so many vital services to those in need. As a mutual organization, Washington Financial Bank has no stock and thus no obligation to pay shareholder dividends. This mutual structure allows us to put our profits where they make the most impact - in our communities to those organizations that support our neighbors. Over 20 years ago, the Bank established The Washington Financial Charitable Foundation as part of our corporate giving philosophy. Through our Foundation, which is solely funded by Washington Financial Bank, we are proud to have provided millions of dollars in support. During our most recent fiscal year, we continued our support of the

capital campaigns for the Washington Health System Family Center, Presbyterian Senior Care Woodside Place Dementia Care facility and the Pennsylvania Trolley Museum's Interactive Exhibit Space. Our Foundation has provided much needed funding to enhance technology programs and equipment in our local school districts with grants to Avella, Trinity and most recently John F. Kennedy Catholic School. We continue to sponsor the Assets for Independence Matched Savings program for Blueprints clients and provided gap funding for the Dress for Success Mobile Unit so that it could continue to operate when a primary funding source was lost. In fact, with so many organizations currently struggling, Washington Financial Bank authorized an additional contribution of \$100,000 to The Washington Financial Charitable

Foundation, earmarked specifically for emergency funding to help many non-profits continue operations in this very challenging environment. As a major corporate sponsor of the Washington County Community Foundation's WCCF Gives event, our Foundation contributes a significant percentage to the match funding pool that helps so many local non-profit organizations raise much needed funding. We are also pleased to partner in a new initiative this year with Big Brothers Big Sisters as they embark on a student mentoring program in the Charleroi Area School District.

We recognize, however, that not all problems can be addressed in the short-term. That's why it's crucial for us to make certain we re-invest a significant portion of our giving in the many redevelopment



MARCH 2020

Bank approves additional \$100,000 in emergency funding for local organizations affected by the pandemic



APRIL 2020

Washington Financial Charitable Foundation makes emergency grants to the Washington County Foodbank, City Mission and Angels Place

projects designed to make our communities better places for families to live and to work. We are proud to partner with The Dreamers Company in its efforts to restore distressed neighborhoods in need of help. Early in 2020, our Foundation committed to fund renovations to the 7th Ward Park project as part of The Dreamers Company vision to restore the blighted areas in the community. Dreamers volunteers worked to re-open the park when it was unexpectedly closed in 2018, making it a safe place for children in the community. The second phase of this enormous undertaking is the purchase and installation of new playground equipment. With the financial commitment from The Washington Financial Charitable Foundation, Dreamers is well on its way to fulfilling this vision. To see the work this amazing group is

doing, visit them at [thedreamersco.org](http://thedreamersco.org) or on Facebook - @dreamerscompany. We also understand that sometimes it only takes a small donation to make a big difference. We have empowered our employees to partner with Blueprints in the "A Little Lift" program under which Blueprints clients can receive financial help to overcome a variety of barriers to self-sufficiency and independence. The Washington Financial Charitable Foundation provides the funding, over which the employee-led committee has full discretion to allocate, for individual "lifts" under the program. To date, our employee committee has funded "lifts" to help single parents with childcare necessities, baby formula, and transportation expenses in order to keep a job and basic housing needs for families

who had been homeless. These stories of overcoming barriers so touched our employees that they also held an on-site drive for baby items to help Blueprints clients in need. Fostering employee input in our giving has not only served to further engrain our commitment to helping our neighbors, it has also served to raise awareness of the hardships of so many in our hometowns. We encourage you to visit [alittlelift.org](http://alittlelift.org) to see how you might also be part of this essential program.

As part of our continuing commitment to education, The Washington Financial Charitable Foundation annually awards scholarships to students based upon grade point average, community service and financial need. The group of applicants



### MAY 2020

WFB prepares to launch streamlined online-mortgage application

Bank adds new surveys to gain additional insights on customer experience



### JUNE 2020

WFCF awards \$25,000 in scholarships and \$25,000 in Customer Choice Funding

WFB sponsors "Free Kids Days" at Meadowcraft Village



from the past academic year was one of the most competitive yet, all with exceptional qualifications. We were pleased to award five new students a \$5,000 scholarship bringing our total gift to over 220 students and \$735,000 in educational support. We also believe that making smart financial decisions begins with a solid foundation in financial education. To support this initiative, Washington Financial Bank sponsors the Washington Financial Scholars program in a number of local high schools. Throughout numerous school districts, high school students utilize our platform to access a series of online modules relating to credit, banking and budgeting courses.

While monetary support is always important, we recognize that some things require more than money. Since 1899, we have engrained a deep-rooted philosophy of volunteerism into our corporate culture and the results are apparent. Our employees donate countless hours every year to a variety of community organizations and events. Almost all Washington Financial Bank employees are involved in some type of charity or volunteer work. This aspect is so important

to us as an institution that we give employees additional days off through the year to perform community service. From serving on the boards of The Washington Health System, Blueprints, Domestic Violence Services, Highland Ridge and Washington Community Development Corporations, the Main Street Farmers Market, local Chambers of Commerce and the United Way (just to name a few) to working in our children's classrooms and sporting concessions, we are thoroughly invested. We proudly participate with the Education Partnership to fill and to distribute backpacks to Washington Park Elementary



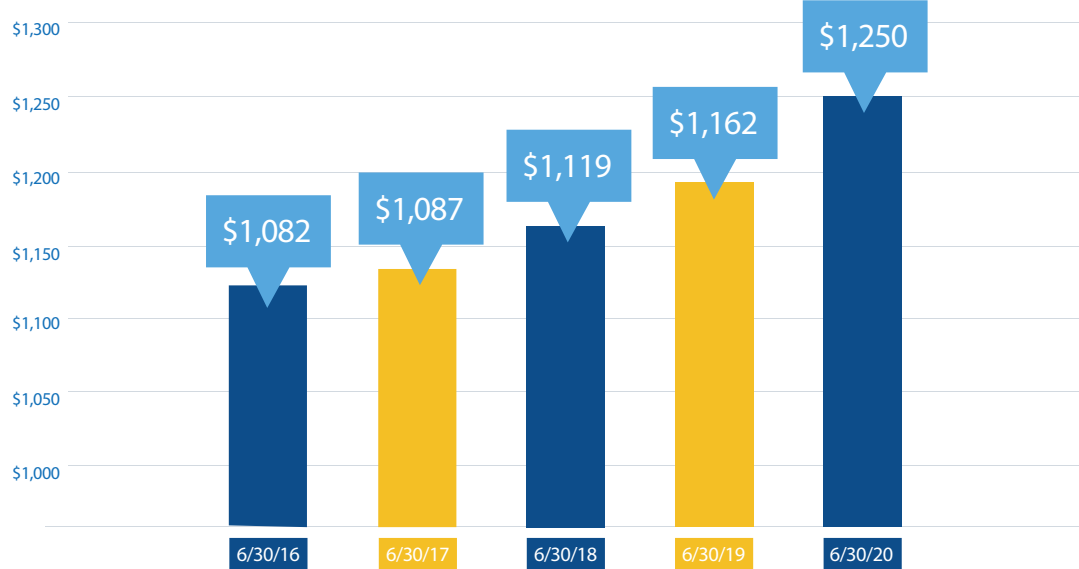
Mary Lyn Drewitz  
*Chairman*

Brian J. Smith  
*President & CEO*

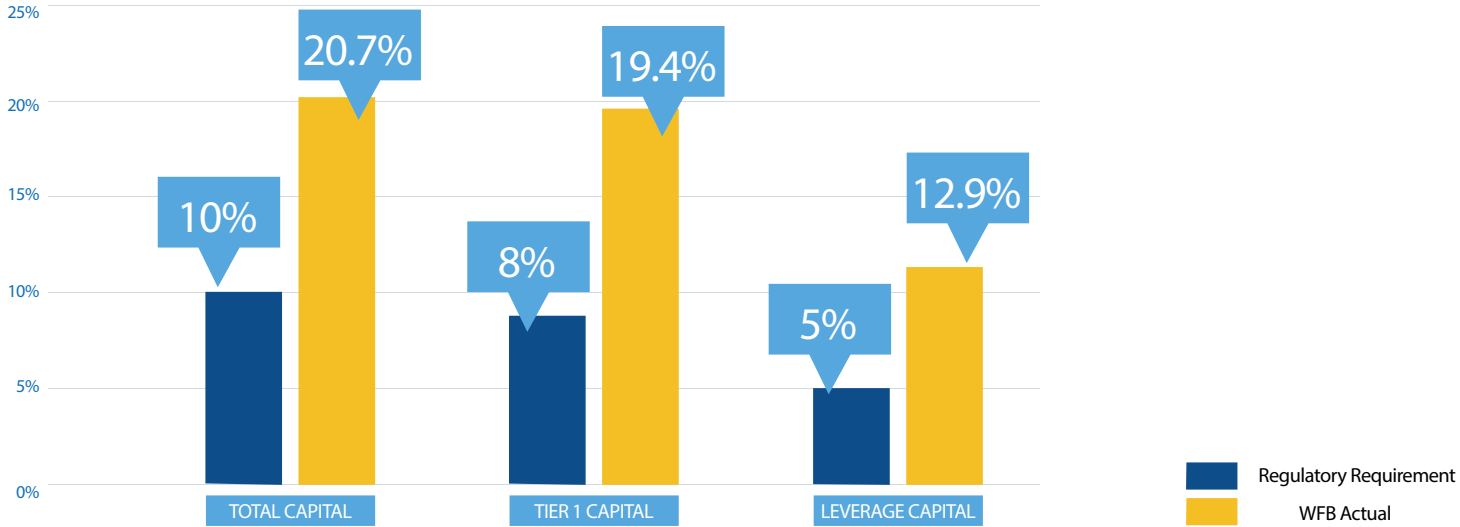
students; with Beverly's Birthday and Genesis to host baby showers and birthday parties; and with the Junior Achievement programs to educate students in our local schools.

The past fiscal year has even more clearly defined our purpose – to serve your financial needs with best-in-class products and services and to continue to place this community at the forefront of our decisions. As we begin a new fiscal year, we remain grateful for the trust you've placed in Washington Financial Bank. We pledge to continue to earn your trust every day.

## Total Assets (in millions) - Years Ended 6/30



## Consolidated Capital Regulatory Compliance - 6/30/2020



## Consolidated Statement of Condition

	June 30, 2020	June 30, 2019
<b>Assets</b>		
Cash on Hand and in Banks .....	\$136,925,373	\$56,814,896
Securities - Available for Sale .....	121,348,546	136,960,980
Securities - Held to Maturity .....	47,405,022	55,391,248
Loans .....	886,025,406	857,216,774
Office Property & Equipment, Net .....	11,682,897	11,112,238
FHLB Stock .....	3,346,000	2,777,300
Other Assets .....	42,961,338	42,016,653
<b>Total Assets .....</b>	<b>\$1,249,694,582</b>	<b>\$1,162,290,089</b>

<b>Liabilities &amp; Retained Earnings</b>		
Deposits .....	\$1,078,506,295	\$1,002,002,293
Borrowings .....	0	0
Other Liabilities .....	11,624,579	11,262,168
Retained Earnings .....	159,563,708	149,025,628
<b>Total Liabilities &amp; Retained Earnings ..</b>	<b>\$1,249,694,582</b>	<b>\$1,162,290,089</b>

Copies of the annual audited financial statements are available to the public after September 30, 2020, by writing to Administrative Services, Washington Financial Bank, 190 North Main Street, Washington, PA 15301.



## **Directors** (Of both WFSB Mutual Holding Company and Washington Financial Bank)

Mary Lyn Drewitz, Chairman	Of Counsel, Goldfarb, Posner, Beck, DeHaven, & Drewitz
Martin P. Beichner, Jr., Vice Chairman	President/Accutrex Products, Inc.
R. Carlyn Belczyk	Partner/Guthrie, Belczyk & Associates, P.C.
William M. Campbell	Retired President/Camalloy, Inc.
Edward C. Morascyzk, Esq.	Senior Partner/Morascyzk, Yarosz & Morascyzk
James R. Proudfit	Vice President/Proudfit Insurance
Brian J. Smith	President/CEO/WFSB Mutual Holding Company & Washington Financial Bank
Telford W. Thomas	Retired President/The Washington Hospital
Louis E. Waller	President/Waller Corporation

## **Directors Emeritus of Washington Financial Bank**

Richard L. White	Retired President/CEO/WFSB Mutual Holding Company & Washington Financial Bank
D. Jackson Milhollan	Retired President/Precision Marshall Steel Co.

## **WFSB Mutual Holding Company Officers** (Parent Company of Washington Financial Bank)

Brian J. Smith	President/Chief Executive Officer
John S. Milinovich, CPA	Executive Vice President/Treasurer/Chief Financial Officer
Michael L. Chaido, Esq.	Senior Vice President/Chief Operations Officer
Lee D. Truax	Senior Vice President/Chief Risk and Compliance Officer
Harry A. Stiffler, Jr., Esq.	Senior Vice President/General Counsel
Suzanne L. Taylor	Senior Vice President/Secretary
Janet L. Brandtonies, CPA	Vice President/Controller

## Washington Settlement Service (Subsidiary of Washington Financial Bank)

Brian J. Smith	President/Chief Executive Officer
Delbert O. Hague, Jr.	Senior Vice President
John S. Milinovich, CPA	Vice President/Treasurer
Suzanne L. Taylor	Secretary

## Washington Financial Bank Officers

Brian J. Smith	President/Chief Executive Officer
John S. Milinovich, CPA	Executive Vice President/Treasurer/Chief Financial Officer
Michael L. Chaido, Esq.	Senior Vice President/Chief Operations Officer
Edward R. Ermine	Senior Vice President/Chief Credit Officer
Lee D. Truax	Senior Vice President/Chief Risk and Compliance Officer
Harry A. Stiffler, Jr., Esq.	Senior Vice President/General Counsel
Suzanne L. Taylor	Senior Vice President/Secretary/Administrative Services
Jeanine M. Fallon	Senior Vice President/Community Banking Division
Delbert O. Hague, Jr.	Senior Vice President/Retail Lending Division
William J. King, Jr.	Senior Vice President/Commercial Banking Manager
Robert B. Vettorel	Senior Vice President/Wealth Management Division
Joseph R. Bartolomeo	Vice President/Business Banking Officer
G. Ryan Bates	Vice President/Treasury Services Manager
Victor D. Bell	Vice President/Wealth Management
Janet L. Brandtonies, CPA	Vice President/Controller
Anthony M. Cardone	Vice President/Business Banking Officer
Jeffrey A. Francona	Vice President/Business Banking Officer

Timothy M. Grady	Vice President/Group Manager/Commercial Banking
Elizabeth I. Guerrieri	Vice President/Marketing and Public Relations Manager
William M. Harker	Vice President/Group Manager/Commercial Banking
Theresa M. Hudson	Vice President/Operations Manager
Douglas M. Klescich	Vice President/Information Security Officer
Stephanie T. Leoni	Vice President/Compliance & Risk Management Officer
James M. Medved	Vice President/Business Banking Officer
Christopher L. Monaghan	Vice President/Credit Department Manager
Christopher T. Mowery	Vice President/Business Banking Officer
Gordon A. Plancon	Vice President/BSA/AML Officer
Dawn L. Rankin	Vice President/Consumer Lending Manager
Robert L. Rogers	Vice President/Group Manager/Commercial Banking
Lori L. Szallar	Vice President/Human Resources Manager
Carmen A. Trovato	Vice President/Business Banking Officer
Randolph T. Patterson	Vice President/Business Banking Officer
Dustin R. Yoder	Vice President/Information Technology Manager

## Branch Offices

### **Burgettstown**

1803 Main Street  
Burgettstown, PA 15021  
724.947.2745

### **Canonsburg**

160 East Pike Street  
Canonsburg, PA 15317  
724.745.2417

### **Finleyville**

3576 Sheridan Avenue  
Finleyville, PA 15332  
724.348.5255

### **Hickory**

220 Main Street  
Hickory, PA 15340  
724.356.2900

### **McMurray**

3616 Washington Road  
McMurray, PA 15317  
724.941.4275

### **South Fayette**

173 Millers Run Road  
Bridgeville, PA 15017  
412.221.1026

### **Tylerdale**

98 East Wylie Avenue  
Washington, PA 15301  
724.225.9100

### **Valley Brook**

430 Valley Brook Road  
McMurray, PA 15317  
724.941.8430

### **Washington**

77 South Main Street  
Washington, PA 15301  
724.206.1100

### **Washington Crown Center**

1500 West Chestnut Street  
Washington, PA 15301  
724.223.8000

### **Washington Mall Plaza**

255 Murtland Avenue  
Washington, PA 15301  
724.229.7600

## Loan Centers

### **Latrobe Loan Office**

401 Depot Street  
Latrobe, PA 15650  
724.537.6358

### **McMurray Loan Office**

3616 Washington Road  
McMurray, PA 15317  
724.942.2301

### **North Hills Loan Office**

6200 Brooktree Road  
Wexford, PA 15090  
724.940.4450

## Remote ATM Locations

**Courthouse Square**

**The Washington Hospital**





Join the Rebellion<sup>®</sup>



190 North Main Street  
Washington, PA 15301  
724.222.3120  
washfin.bank

