



Growing our
community...
one customer
at a time.



2019 ANNUAL REPORT



Dear Friends and Neighbors...

As we celebrate our 150th Anniversary in 2020, it's a pleasure to look back on 2019 which was a tremendous year for Ion. I am privileged to serve among the ranks of the past leaders who helped shape this innovative and progressive community bank. I am excited to continue to set the pathway for our bright and promising future of growth and stability for our bank and for you, our customers.

As a local, independent community bank not owned by shareholders, we are proud to serve our communities as an exemplary corporate citizen, through volunteerism and financial support. Building lifetime relationships by partnering with our customers to identify and achieve their financial goals is our customer service philosophy. We are very fortunate to have dedicated and loyal employees who provide outstanding customer service and live our service standards every day – **Safety & Security, Accuracy, Responsiveness, and Friendly, Personalized Service.**

We started 2019 strong with the expansion into Hartford County by opening our 18th branch in Farmington that also houses a commercial loan and cash management office. As our footprint expanded, we grew our Cash Management and Business Banking teams to be able to develop new commercial business and deepen existing customer relationships. We've significantly exceeded our first year deposit expectations in this market and are on track to keep that momentum going strong in 2020 and beyond.

Toward the end of the year, we continued to grow our brand and expanded our footprint even further into Hartford County. Our Ion Investments division added Financial Advisors and opened a new office in Manchester.

We are very excited to announce that our footprint will grow even more as plans are underway to open our 19th branch in the Unionville section of Farmington.

We are grateful for your business and thank you for your loyalty and trust in us. We look forward to meeting your financial needs and exceeding your expectations for personal attention and service.

Sincerely,

David J. Rotatori
President & CEO



Financials

ION BANK CONSOLIDATED STATEMENT OF CONDITION



December 31, 2019 & 2018
(in thousands of dollars)

December 2019

December 2018

ASSETS

Cash and Cash Equivalents	\$ 18,556	\$ 16,327
Investment Securities & Interest Bearing Cash Equivalents	146,438	142,954
Loans		
Loans and Mortgages	1,153,402	1,096,061
Less Allowance for Possible Loan Loss	12,290	11,309
Total Net Loans	1,141,112	1,084,752
Other Assets	55,956	53,412
TOTAL ASSETS	\$ 1,362,062	\$ 1,297,445

LIABILITIES & RETAINED EARNINGS

Deposits		
Savings & Time	\$ 512,287	\$ 519,934
NOW, Money Market & Checking	599,275	538,023
Total Deposits	1,111,562	1,057,957
Borrowings	85,000	80,000
Other Liabilities	41,209	38,630
Total Liabilities	1,237,771	1,176,587
Accumulated Other Comprehensive Income	(20,137)	(16,511)
Additional Paid in Capital	10,000	10,000
Retained Earnings	134,428	127,369
TOTAL LIABILITIES & RETAINED EARNINGS	\$ 1,362,062	\$ 1,297,445

Information based on Call Report data



BOARD OF DIRECTORS

CHARLES J. BOULIER, III
CHAIRMAN

PATRICK A. CHARMEL
LUCILLE JANATKA
DAVID W. NURNBERGER

GARY B. O'CONNOR
DAVID J. ROTATORI
ANDREW K. SKIPP

STEPHEN C. WIDMAN
MARK C. YANARELLA

CORPORATORS

ROY A. BALKUS
CAREN BOUCHARD
CHARLES J. BOULIER, III
JOHN A. BRUCATO
WAYNE P. BUCKMILLER
ROBERT CAPPELLETTI
PATRICK A. CHARMEL
ROCCO K. CORSO
LAURA C. DAKE-ROCHE
JOSE P. DASILVA
PETER J. ESCOBAR
ANN MERRIAM FEINBERG

DAVID FERRARO
EDWARD G. FITZPATRICK
PAUL FITZPATRICK
EUGENE A. FRIDLAND
RICHARD H. GESSECK
THOMAS A. HENNICK
JAMES J. JACKSON
PETER JACOBY
LUCILLE JANATKA
JULIE LOUGHRAN
MARCELO MARTINS
JAMES MCCOWAN

JOHN M. MILONE, JR
DAVID W. NURNBERGER
GARY B. O'CONNOR
MATTHEW L. O'CONNOR
JOHN PRUCHNICKI, JR.
RONALD J. PUGLIESE
DAVID J. ROTATORI
ELIZABETH M. SANTORO
CARLOS SANTOS
PAUL R. SIMKO
THERON SIMONS
ANDREW K. SKIPP

GEORGE STONE, JR
MICHELLE M. STRONZ
SCOTT M. SUTHERLAND
KATHY K. TAYLOR
JOHN H. TOBIN
ELIZABETH VERNA
DEBORAH WHEELAHAN
STEPHEN C. WIDMAN
MARK C. YANARELLA
LAURIE M. YELDING
JOHN ZINNO

Our Community

Serving our community dates back almost 150 years. As a community mutual bank, we believe that reinvesting in our communities is one of our most important duties; community support has always been a fundamental part of Ion Bank's mission. We strongly believe in contributing to the betterment of the communities we serve by supporting the economic well-being and quality of life that helps enrich all of our lives.

Ion Bank Foundation partners with local non-profit organizations by providing direct financial support to help improve and enrich the lives of local citizens in our communities. As we expand our footprint, we are pleased that we are able to reach even more people and non-profit organizations in CT to make a positive impact on the communities we serve.

In 2019, the Ion Bank Foundation donated more than \$649,000 to 278 local organizations for a variety of causes such as areas including health, education, economic development, human and social services, and the arts.

Our employees also take great pride in helping to make a positive impact in our local communities. We actively encourage our employees to volunteer their time and make a difference by helping local community and non-profit organizations. Ion Bank employees donated 8,307 hours of community service in 2019. We are proud of the impact that our employees have on enriching the lives of people in our local communities.



**Ion Bank employees
donated**
**8,307 hours of
community service in 2019**

**Ion Bank Bank Foundation
donated**
**\$649,000+ to
278 local organizations in 2019**

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that our employees have on
enriching the lives of people
in our local communities.**

ion
BANK™



Community Awards Program



Our 10th Annual Community Awards Program allowed our customers to help the Ion Bank Foundation give away \$68,700 to 167 local non-profit organizations in the communities we serve. We invite each Ion Bank customer to cast a vote for their favorite participating non-profit organization. We want the people of our communities to help us decide who needs our help the most.

Top left: Ion Bank Cheshire Road Races start. Top right: Jeans Day for Charity with proceeds donated to Project Purple. Center right: Ion Bank's sponsored team of Crosby High School Future Bankers at the Graduation Ceremony. Right: Employees prepping the grounds for the new school year at Children's Community School, Waterbury. Below: Ion Bank Foundation's 10th Annual Community Awards Program grant recipients.





Our Culture

OUR SERVICE PHILOSOPHY

At Ion Bank, we build lifetime relationships by partnering with our customers to identify and achieve their financial goals.

SERVICE STANDARDS

Our talented and dedicated team of employees are committed to live our service standards – **Safety & Security, Accuracy, Responsiveness and Friendly, Personalized Service.**

Providing outstanding customer service is fundamental to our philosophy and service standards. To support this mission and foster a positive work culture, we have an employee recognition program that honors employees who best represent the principles of our service philosophy and service standards.

Our Employee Recognition Program Award is given every quarter to the employee who best represents the Bank's engrained culture of giving customers the service and dedication they deserve, every day.

HERE WE GROW AGAIN...

Photos from top:

- Groundbreaking of Meriden East branch
- Interior of Meriden East branch
- Ribbon cutting of Meriden East branch
- Ion Investments office, Manchester
- Farmington branch ribbon cutting



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