



2024 ANNUAL REPORT



MountainOne®



Dear MountainOne Community,

I am very pleased to report that MountainOne closed 2024 ahead of budget, and with our overall financial performance outpacing many of our peers both locally and nationally. Our balance sheet remains strong as evidenced by our capital position and loan quality. We grew our non-interest income with the continued expansion of our insurance agency business, and we remain well positioned for a strong 2025.

I am proud of our senior management team and our Mountaineers for the results we have achieved. This is especially gratifying given the myriad challenges we faced in 2024 such as a continuation of significant economic uncertainty highlighted by rapid and steep interest rate hikes, inflation, unstable supply chains, deposit and liquidity challenges, and a compressing net interest margin. On top of that, the banking industry continued to face an onslaught of new and proposed regulations—and reinterpretations of existing regulations—the management of which required all banks to dedicate significant time commitment and financial resources.

Beyond the Numbers

Mountaineers from all divisions contributed to projects and initiatives that led to a successful 2024. Below I'd like to highlight a few accomplishments of note:

MountainOne Insurance Expansion

MountainOne Insurance continued its expansion into the Pioneer Valley with the acquisitions of the G.W. Morisi Insurance Agency and the McClure Insurance Agency. We were thrilled to add nineteen new team members to the MountainOne family, as well as new offices in Longmeadow, West Springfield, and Wilbraham, MA. We also continued our growth in the Berkshires by opening a new office in Stockbridge across the street from the iconic Red Lion Inn and adding well-established and well-known local professionals to the team.

Commitment to Community

MountainOne surpassed previous years of giving with a total of \$1.2 million in charitable donations and sponsorships. Two significant multi-year commitments were announced in early 2024: a 5-year \$350,000 pledge to MASS MoCA in support of programs that benefit the local community, and a \$500,000 commitment to MCLA in support of athletics and education programs aimed at retaining talent in the Berkshires.

Mountaineers also volunteered hundreds of hours of their personal time at local nonprofits and community events, including serving on boards and committees. Many Mountaineers also provided financial education to citizens of all ages to help them work toward and achieve their financial goals.

Enhanced Technology

Thanks to significant work done in 2023 to launch Q2, our digital banking platform, we introduced several digital service enhancements in 2024 focused on improving the customer experience. Internally, the team developed enhanced workflows to streamline processes and complex tasks, and we launched the usage of Microsoft O365 which offers communications and other digital solutions aimed at creating a more efficient workplace.

Joint Regulatory Exams

MountainOne participated in joint FDIC and MA-Division of Banks Compliance and CRA exams, both of which netted positive outcomes. The Compliance exam results were very good with no major findings, and we earned a Satisfactory rating for CRA. The MA-Division of Banks Safety & Soundness exam was also satisfactory, though those results are confidential in nature. While these exams are incredibly important, it is not lost on me that they are also incredibly time-consuming for employees across the organization, all of whom must still manage and deliver upon their daily and strategic priorities. I want to express my gratitude to everyone who contributed to these positive results.

Emerging Leaders

Many Mountaineers took steps to further their professional development and pursued training programs specific to organizational needs such as communication and leadership. I am especially proud of our Emerging Leaders Program and its recent graduates: Jessica Andrews, Ryan Belanger, Erin Galvin, Betsy Kapner, Alyson Lesure, Paula Malloy, Erik Ray, and Kyle Shepard. This impressive group completed two strategic projects which are being implemented this year: the development of a social media ambassadorship program that will help grow our external reach, and the implementation of a company-wide communication tool that will help us work more collaboratively within and across business lines.

Looking Ahead

After a strong 2024, we are budgeting to surpass \$1 billion in assets in 2025. We anticipate that modest, positive shifts in the overall economy will lead to modest loan growth, an improving net interest margin, and growing contributions from MountainOne Insurance.

To support our 2025 business objectives, we will continue to align our strategic goals and initiatives with the three pillars of our Strategic Plan: **People, Processes, and Technology**. Through this approach, we aim to empower our people to leverage professional development opportunities to learn and grow; to pursue operational efficiencies across the organization; and to introduce new and enhanced technologies that lead to an improved customer experience.

Lastly, our Core Commitments will continue to guide all Mountaineers in their unique roles, ensuring we are aligned in our values. They are the foundation of our success.

Thank you

As we strive to deliver best in class products, services, tools and resources to our customers, and with an unwavering commitment to our communities, we want to thank you for allowing us to serve you. We are grateful for your trust and for your business.



Cheers to 176 years!

A handwritten signature in dark ink that reads "Robert J. Fraser". The signature is fluid and cursive, with the first name being more prominent.

Robert J. Fraser, President & Chief Executive Officer

MountainOne Financial Consolidated Balance Sheets

As of December 31

	2024	2023
	(Dollars in Thousands)	
Assets		
Cash and cash equivalents	\$ 11,025	\$ 17,986
Securities available for sale, at fair value	134,555	135,893
Federal Home Loan Bank stock, at cost	2,362	3,819
Loans:		
Residential real estate	170,534	172,495
Home equity	25,906	24,883
Commercial real estate	337,043	323,898
Construction and land	107,667	121,909
Commercial	85,057	95,143
Consumer	13,741	17,933
Total loans	739,948	756,261
Deferred loan costs, net	266	438
Allowance for credit losses	(7,672)	(9,014)
Net loans	732,542	747,685
Premises and equipment	13,182	13,804
Deferred tax asset, net	7,544	9,710
Goodwill and other intangible assets	20,884	9,596
Bank-owned life insurance	27,462	29,009
Other assets	27,551	21,746
Total assets	\$ 977,107	\$ 989,248
Liabilities and Capital		
Deposits:		
Non-interest-bearing	\$ 144,046	\$ 129,017
Interest-bearing	613,447	593,367
Total deposits	757,493	722,384
Federal Home Loan Bank borrowings	41,346	98,406
Subordinated debt	20,620	20,620
Other liabilities	32,010	31,335
Total liabilities	851,469	872,745
Total capital	125,638	116,503
Total liabilities and capital	\$ 977,107	\$ 989,248

MountainOne Financial

Consolidated Statements of Income

Years Ended December 31

	2024	2023
	(Dollars in Thousands)	
Interest and dividend income:		
Loans, including fees	\$ 45,832	\$ 43,504
Securities	4,213	3,993
Short-term investments and other	693	338
Total interest and dividend income	50,738	47,835
Interest expense:		
Deposits	17,601	12,581
Federal Home Loan Bank borrowings	2,329	2,833
Subordinated debt	920	914
Total interest expense	20,850	16,328
Net interest income	29,888	31,507
Provision for credit losses	702	339
Net interest income after provision for credit losses	29,186	31,168
Non-interest income:		
Customer service charges on deposits	636	573
Commissions on insurance and investment products	18,588	15,751
Mortgage banking income	59	10
Other income	1,625	1,616
Total non-interest income	20,908	17,950
Non-interest expenses:		
Salaries and employee benefits	25,527	23,616
Occupancy expense	2,750	2,604
Equipment expense	631	672
Information technology expense	2,540	2,393
FDIC deposit insurance assessments	429	414
Charitable contributions	1,043	239
Other expenses	7,253	6,748
Total non-interest expenses	40,173	36,686
Income before income taxes	9,921	12,432
Income tax expense	2,421	3,176
Net income	\$ 7,500	\$ 9,256

Trustees of MountainOne Financial, MHC

Directors of MountainOne Financial, Inc.

Directors of MountainOne Bank

James J. Bailey, Jr.
Daniel E. Bosley
Noreen Carey-Neville
David W. Crane
Robert J. Fraser

Michael J. Gardner, Jr.
Dr. Mary K. Grant
Antony K. Haynes
Susan S. Hogan
Kevin A. Maguire

David R. Moresi
Thomas P. O'Connell
William F. Spence
Karen L. Zink

Corporators

Richard Alcombright
James J. Bailey, Jr.
Adam Bauer
Blair Benjamin
Daniel Biggins
James F. Birge
Daniel E. Bosley
John Bradley
James Bunnell
Daniel H. Campbell
Noreen Carey-Neville
Lynne Carlotto
David Carver
Paula Clough
David W. Crane
Jonathan S. Denmark
Donald R. Dubendorf
Christopher Ernest
J. Adam Filson
Brent Filson
Robert J. Fraser

Michael J. Gardner, Jr.
Dr. Mary K. Grant
Michael Haddad, Jr.
Kevin Hanley
Antony K. Haynes
Susan S. Hogan
Eric Kerns
Benjamin Lamb
Kent Lemme
Shiobbean Lemme
Kaitlyn Litchfield
Kevin A. Maguire
Andrea Mansfield
Marcia McFarland-Gray
Robert McGraw
Elizabeth McGraw
Joshua Mendel
Amy Moresi
David R. Moresi
Kimberly Nelson
Thomas P. O'Connell

Francesca Olsen
Steven J. Owens
Jeffrey Phelps
Gina Puc
Fred Puddester
Michael Quirk
Regina Quirk
Robert J. Scerbo
Graham Shalgian
Eva Sheridan
Anne Singleton
Anthony M. Smeglin
Ben Sosne
William F. Spence
Mark Stiles
Steve Triffletti
Amelia Wachur
Karen L. Zink

MountainOne Insurance Officers

Jonathan S. Denmark	President & COO
Donna M. Bishop	SVP, Operations Manager-Commercial Insurance
Brian W. Drake	SVP, Employee Benefits
William R. Robinson	SVP, Sales Manager
Linda A. Febles	VP, Commercial Insurance
Grace J. Gray	VP, Customer Service & Claims
Mark McClure	VP, Pioneer Valley Region
Eric P. Pratt	VP, Bonding Manager
Stacy Roman	VP, Operations Manager-Personal Insurance
Kim M. Knights	AVP, Branch Manager

MountainOne Investments Officers

Robert G. Abel	SVP, Financial Advisor
Kevin Dupuis	VP, Operations Manager
James E. Durand	VP, Financial Advisor & Head of Research

MountainOne Financial, MHC Officers

Daniel E. Bosley	Chair
Kevin A. Maguire	Vice Chair
Robert J. Fraser	President & CEO
Steven J. Owens	EVP, CFO, COO, CIO, Treasurer
I. Michelle Devine	Corporate Secretary

MountainOne Bank Officers

Robert J. Fraser	President & CEO	Ryan Belanger	AVP, Senior Network & Systems Officer
Steven J. Owens	EVP, CFO, COO, CIO, Treasurer	Jason Bianchi	AVP, Community Mortgage Lending Specialist
Jonathan S. Denmark	EVP	Gwenn D. Bishop	AVP, Retail Lending Underwriter II
Jill K. Amato	SVP, Marketing & Community Banking Officer	Heather Bona	AVP, Assistant BSA Officer
Richard W. Bromberg	SVP, IT Director, Information Security Officer	I. Michelle Devine	AVP, Assistant to President & CEO, HR Liaison Officer & Corporate Secretary
Richard P. Kelly	SVP, Senior Commercial Risk Officer	Kelly L. Dubie	AVP, Human Resources Officer
Matthew B. Kreiser	SVP, Commercial Lending Officer	Sarah M. Lapworth	AVP, Secondary Market & Mortgage Systems Manager
Matthew Lauro	SVP, Western Mass Commercial Lending Team Leader	Paula Malloy	AVP, Assistant Controller
Linda B. Levesque	SVP, Risk Management Officer & CRA Officer	Jessica A. McGovern	AVP, Executive Commercial Lending Assistant
Michael E. MacArevey	SVP, Senior Operations Officer	Lisa J. Mineau	AVP, Senior Human Resources Operations Officer
Elizabeth A. Petropulos	SVP, Senior Human Resources Officer & SAFE Act Officer	Erik J. Ray	AVP, Community Banking Officer
Peter Radigan	SVP, Residential & Consumer Lending Officer	Kyle D. Shepard	AVP, Operations Manager
Timothy P. Rhuda	SVP, Senior Commercial Lending Officer	Timothy J. Shepard	AVP, Information Technology Officer
Kim E. Anderson	VP, Loan Compliance Officer	Devon E. Stone	AVP, Community Banking Officer
Alicia A. Benoit	VP, E-Services & Call Center	Nancy E. Baran	E-Services Officer
Randy T. Burdick	VP, Regional Community Banking Officer	Sarah Bloom	Officer & Operations Analyst
Alice M. Copeland	VP, Underwriting and Processing Manager	Paula M. Dolan	Loan Compliance Analyst
Michael Dugan	VP, Commercial Portfolio Manager	Amanda M. Farren	Commercial Credit Analyst II
Jennifer A. Field	VP, Controller	Peter M. Fortier	Facilities & Security Officer
Marie A. Harris	VP, Credit Administration Manager	Sheri Kelly	Senior Commercial Credit Analyst
Elizabeth D. Kapner	VP, Marketing Manager	Brian Kunz	Risk Management Officer
Steven Munger	VP, Commercial Lending Officer	Sara L. Argueta	Community Banking Officer
Brenda Petell	VP, Community Engagement Officer	Meghan L. Dunphy	Community Banking Officer
Heather Row	VP, Commercial Portfolio Manager	Erin M. Galvin	Community Banking Officer
Stephanie Scott	VP, Risk Management & BSA Compliance Officer	Erica Boulger	Assistant Community Banking Officer
Lucille A. Weare	VP, Branch Operations Liaison/Regional Community Banking Officer	Sarah Dougenik	Assistant Community Banking Officer
Jessica J. Andrews	AVP, Deposit Compliance & Fraud Administration Officer	Joni Laze	Assistant Community Banking Officer
Amy Backiel	AVP, Loan Operations Officer	Caitlynn Perry	Assistant Community Banking Officer
		Shelby M. Pilling	Assistant Community Banking Officer
		Shannon Rose	Assistant Community Banking Officer

Our Mission

To deliver solutions of real value that help individuals, businesses, and community institutions manage their financial lives with clarity and confidence.

Our Core Commitments



Asset Quality

We are fiscally responsible and committed to balancing business opportunities with the safety and soundness of our organization.



Customer Care

The security, prosperity and well-being of every customer is at the heart of what we do. We are trusted advisors and advocates who prioritize relationships over transactions.



Operational Distinction

We look for ways we can create efficiencies and improve our operations. We are open to change and embracing innovative technologies to help us operate with distinction and remain relevant.



Professional Development

We have high expectations of our employees. We are committed to offering development opportunities and to supporting a culture of excellence in which Mountaineers are recognized and rewarded.



Regulatory Accountability

We conduct our business in a highly ethical manner, in accordance with all federal and state rules and regulations, and with the security of our customers' assets and personal information being of the utmost importance.



Community Engagement

We take pride in providing meaningful financial support and volunteerism to nonprofits and organizations that provide crucial services and make positive impacts on our local communities.

MountainOne is a mutual holding company headquartered in North Adams, MA. Founded in 1848, MountainOne Bank provides a complete array of personal and business banking and electronic services. MountainOne Insurance provides personal and business insurance, bonding services, and group benefits solutions.

MountainOne Investments offers securities and advisory services through Commonwealth Financial Network®, member FINRA/SIPC, a Registered Investment Adviser. Fixed insurance products and services offered through CES or MountainOne Insurance. MountainOne Investments and MountainOne Bank are not a registered broker-dealer or Registered Investment Adviser. MountainOne Bank and Commonwealth are separate and unaffiliated entities.

Products and services are offered at full-service offices in the Berkshires (Pittsfield, North Adams, Williamstown) and on Boston's South Shore (Quincy, Rockland, Scituate). MountainOne Investments' main office is at 85 Main Street, Suite 100, North Adams, MA 01247. (413) 664-4025

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