



Windsor Federal, MHC

Windsor Federal

Statement of Condition

March 31, 2020

2020 Annual Report

With earnings of \$3.6 million and our experienced commercial team originating over \$78 million in new commercial loans, Windsor Federal exceeded its goals for the 2020 fiscal year due to the extraordinary effort put forth by all of our staff. We continue to remain “well capitalized” as defined by our regulator, the Office of the Comptroller of the Currency (OCC). We closed the year with a leverage capital ratio of 11.63%. I’d like to look back with you at some of our successes throughout this past year.

Windsor Federal welcomed Lauren Murphy as our new Chief Financial Officer and Treasurer and underwent a successful corporate reorganization in which we promoted our long time Chief Financial Officer, Mary-Lynn Kinney, to Chief Operating Officer. We expanded our customer electronic offerings with Zelle person to person money transfer solution and online deposit account opening. We extended our social media presence for enhanced brand awareness and customer communications.

Windsor Federal expanded its footprint into South Windsor with an interim office location and experienced leadership. We are moving forward with plans to bring a state-of-the-art branch office building to South Windsor, which will be located at the intersection of Buckland and Deming Streets. Our South Windsor team has done a stellar job in reaching out to the community and establishing a solid customer base in the short time that the branch has been open.

On March 16th, two weeks before the end of our fiscal year, we closed our lobbies and transitioned to conducting business through our drive-thru windows or by appointment only in our lobbies as a result of the Coronavirus pandemic. We increased remote work capabilities while maintaining high compliance and cybersecurity standards, and kept all of our staff safely employed by following the protocols established by the State of Connecticut. Today, Windsor Federal continues to be financially strong and well-capitalized, and is working diligently to help individuals and businesses work through the adversities as a result of the pandemic. We recognize that some of our local businesses will face challenges as they adapt to the changes and effects of this pandemic, and we continue to respond to our communities in a showing of support.

Dedication. Loyalty. Dependability. Willingness to learn. Flexibility. Team player. Positive attitude. These are all attributes that make a great employee. Add in a warm demeanor, a caring and kind nature, and genuine concern for others, and you get more than an employee. You get Rosa Segars! Rosa began her employment with Windsor Federal in March 1971 and over the next 49 years she would seek opportunities to learn more and to do more. After a long and fulfilling career, she has moved to a warm and sunny, well-deserved retirement. We miss her and wish her the very best!

As Windsor Federal has shown over and over again, we have the ability to adapt and overcome the many challenges set before us. The collective strength, fortitude, and heart of our employees makes it possible for Windsor Federal to continue in its strong foundation as a true community bank.

George W. Hermann
President & CEO

DIRECTORS

Robert A. Verrengia
Chairman of the Board

Frank W. Carmon, IV
Vice Chairman of the Board

Gaye C. Rizzo
Secretary of the Board

Brian K. Baumann

Steven C. Erickson

G. Duncan Harris

George W. Hermann

Beverly A. Paganelli

Michael D. Rabbett

Michael J. Rice

EXECUTIVE MANAGEMENT

George W. Hermann
President and Chief Executive Officer

Mary-Lynn Kinney
Senior Executive Vice President
Chief Operating Officer

Janice H. Kelley
Executive Vice President
Human Resources & Communications

Luke D. Kettles
Executive Vice President
Chief Loan Officer

Jeffrey P. Karam
Senior Vice President
Chief Information Officer

Lauren L. Murphy
Senior Vice President
Chief Financial Officer & Treasurer

Windsor Federal, MHC and Subsidiaries
Consolidated Balance Sheets
March 31, 2020 and March 31, 2019
(In Thousands)

	<u>March 2020</u>	<u>March 2019</u>
ASSETS		
Cash and due from banks	\$ 6,237	\$ 6,418
Federal funds sold	268	-
Federal Home Loan Bank overnight deposits	201	201
Interest-bearing demand deposits with other banks	32,195	244
Money market mutual funds	38	37
Cash and cash equivalents	38,939	6,900
Interest-bearing time deposits with other banks	245	494
Investments in available for sale securities	86,683	94,240
Investments in held to maturity securities (fair value of \$148 and \$208 at March 31, 2020 and 2019, respectively)	148	207
Federal Home Loan Bank stock, at cost	559	1,530
Loans, net	406,943	391,358
Bank owned life insurance	14,645	14,286
Premises and equipment	4,676	4,813
Goodwill	739	739
Accrued interest receivable	1,456	1,541
Deferred income tax asset, net	111	844
Other assets	1,870	1,547
Total assets	\$ 557,014	\$ 518,499
LIABILITIES AND EQUITY		
Deposits:		
Noninterest-bearing	\$ 126,168	\$ 103,173
Interest-bearing	350,483	315,449
Total deposits	476,651	418,622
Customer repurchase agreements	10,338	7,133
Federal Home Loan Bank advances	-	29,650
Other liabilities	3,760	3,311
Total liabilities	490,749	458,716
Equity:		
Retained earnings	64,384	60,789
Accumulated other comprehensive income (loss)	1,881	(1,006)
Total equity	66,265	59,783
Total liabilities and equity	\$ 557,014	\$ 518,499

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