



Newtown Savings Bank
The Power of Local

2023

ANNUAL
REPORT



A MESSAGE FROM OUR CEO AND CHAIRMAN

2023 marked the 168th birthday of Newtown Savings Bank, and it was an extraordinary year.

While it is said that the only constant is change, the changes the Bank addressed during the course of the year were at a different level than the typical changes we encounter in any given year.

Central to that change was the upgrade of our technology that took place mid-year. This multi-year initiative, which encompassed nearly two dozen separate systems including our core and digital banking systems, required great focus, skills and persistence on the part of our employees as well as cooperation and patience from our customers.

While bumpy at times, the conversion was highly successful and we are now well-positioned to deliver outstanding technology to our customers for years to come. We are grateful for the understanding of our customers and staff throughout the process – and glad that we won't have to undertake a similar project for many years.

We are also grateful to our customers and staff for their trust and calmness during the banking crisis precipitated by the failure of several out-of-state banks early in the year. While our business model is fundamentally different and less risky than those of the banks that failed, there were many pundits predicting a wave of additional failures, or at least deposit outflows, as customers across the country grew concerned about their banks.



Pictured Above: Kenneth L. Weinstein and John F. Trentacosta

Pictured on Cover: (Back) Andrea Fodor, Business Relationship Banker, Newtown Savings Bank; David Morgan, President & CEO, TEAM Inc.; Brian Fonck, FVP, Retail Banking & Deposit Product Management, Newtown Savings Bank; (Front) Amanda Espinal, Homebuyer; Lorena Barreto, AVP, Mortgage Banker, Newtown Savings Bank

The belief of our customers in the Bank's safety and soundness was gratifying and is something that we will never take for granted.

For the year, the Bank earned net income of \$6.4 million while contributing \$250,000 to the Newtown Savings Bank Foundation.

While adequate, earnings were constrained by the combination of an inverted yield curve, higher expenses as the result of the system upgrade, and additional provision for potential credit losses. We expect improved results in 2024, although economic and business conditions remain volatile in numerous respects.

We were pleased at year-end to be named one of the top 250 regional banks in the country by Newsweek magazine. This recognition, based on various measures covering profitability, asset quality, lending activity, social media reviews, the lack of negative stories about the Bank, and a customer survey that rates banks on 12 categories using 75 items, builds on a series of honors the Bank has received in recent years. We are proud and appreciative of the recognition.

We are excited to welcome Glenn J. Nanavaty to the Bank's Board of Directors effective January 1st. Glenn is a respected local Certified Public Accountant and community leader, and has been a Corporator of the Bank since 2015. Glenn's addition to the Board is part of the succession plan for our Director Jim Morley, who will be retiring in April of this year.

We were also pleased during the year to welcome two new Corporators - Tony Fernandes and Matt Gilchrist. Each of these gentlemen brings relevant experience, community knowledge and great character to the Corporator role and we appreciate their willingness to serve.

On behalf of all of us at Newtown Savings Bank, thank you as always for your trust in us and for your support throughout a challenging year. We wish you and your loved ones a 2024 that will be a year of health, happiness and fulfillment.

Kenneth L. Weinstein
President & CEO

John F. Trentacosta
Chairman

CONNECTED TO OUR COMMUNITY

Newtown Savings Bank knows that strong nonprofits and healthy municipalities are key components of a thriving and vibrant community. That's why volunteerism and philanthropic giving are at the heart of our core values. We strive to build meaningful partnerships, create positive change, and have a lasting impact on our community.

Newtown Savings Bank is rated an 'Outstanding' Bank¹ and we're proud to be one. But we're equally proud to be a trusted neighbor and a true friend.



TEAMWORK – DREAMWORK

Real Food CT Meets the Marketing Team

What began as a one-time volunteer opportunity doing garden clean-up quickly evolved into a year-long partnership as the Newtown Savings Bank Marketing Team got their hands dirty supporting Real Food CT and realized how great it felt. Real Food CT is a Newtown-based nonprofit which connects regional farms and fresh produce with vulnerable populations and fosters sustainable solutions for hunger relief as part of their commitment to combating food insecurity across Fairfield, Litchfield, and New Haven counties. All Newtown Savings Bank employees are encouraged to support our community through volunteerism – either independently or marketing-style, with a few of our favorite colleagues.



Newtown Savings Bank employees, Natalie Young, Kathryn Korres, Julia Douglas, Marc Massimino, and Kathleen Gugliotti, volunteer with Real Food CT in Newtown

INVESTING IN OUR COMMUNITY

Joining Forces with Team Inc. for Greater Impact

Brian Fonck, FVP, Retail Banking & Deposit Product Management, has a serious day job – but he doesn't stop there. Brian also serves as Chairman of the Board of Directors at Team Inc., a local organization that shares our commitment to building a thriving community by supporting individuals and families through education, assistance, and opportunity. Newtown Savings Bank continues to deepen our relationship with Team Inc. through employee volunteerism and financial support, most recently contributing to Team Inc.'s financial education and affordable housing opportunities throughout the Greater Valley area. Newtown Savings Bank employees don't simply volunteer time and talent, they also actively identify nonprofit partners whose missions and visions parallel their own.



Newtown Savings Bank employees, Carl Josephson and Brian Fonck, present a check to David Morgan, President & CEO of TEAM Inc.

PROVIDING ESSENTIAL NEEDS FOR PERMANENT CHANGE

Supporting the Thomas Merton Center

Every day of the year, the Thomas Merton Center in Bridgeport takes care of those most essential of needs – meals; showers; a home base to receive mail; a dedicated case management support team; and genuine love and respect – for hundreds of their daily guests. Their mission is to enable families to rise out of poverty, overcome barriers, and achieve self-sufficiency and independence.

This past year, Newtown Savings Bank proudly joined their efforts, contributing \$10,000 to Thomas Merton Center's capital campaign to construct a new facility to house these services, plus new ones, under one roof. The expanded facility will allow the Center to increase the number of individuals it serves, as well as add health services, legal assistance, parenting classes, financial education, and job training. For many of us, family and opportunity support our essential needs. For others, there is the Thomas Merton Center and those who contribute to its mission.

2023 DONATIONS	
Organizations Supported	170+
Total Donations	\$425,000+

¹As part of the FDIC examination, Newtown Savings Bank received a Community Reinvestment Act (CRA) rating of Outstanding. The rating is difficult to achieve with approximately 20% of banks earning this distinction.

2023 HIGHLIGHTS

“Individual commitment to a group effort – that is what makes a team work, a company work, a society work, a civilization work.”

– Vince Lombardi, Green Bay Packers Coach

Yes, we’re in Giants, Jets, and Patriots territory, but sometimes the late Vince Lombardi says it just right. Our remarkable employees and their exceptional efforts ensured 2023 was a successful year despite economic uncertainty. As a collective, Newtown Savings Bank innovated, learned, and progressed together to meet and, when possible, exceed the needs of our customers and the community.

Your partnership motivates our team to do our best every day and we thank you for your continued trust. Here are some of our achievements in 2023:

RESIDENTIAL MORTGAGES

At Newtown Savings Bank, we believe that everyone deserves a place to call home, and we are honored to be a part of making that a reality for so many families.

In 2023, we helped

518
FAMILIES



attain homeownership!

We were named the top CT-based lender for single-family purchase mortgages in 2023¹ and closed an impressive \$231 million in loans.

“

My mortgage banker made the application process seamless and also made sure I understood all of my options. She was beyond helpful and looked out for my best interests.

Amanda | Homebuyer | Danbury, CT



FINANCIAL EDUCATION – EDUCACIÓN FINANCIERA

Buying a first home is never easy. Conducting the transaction in a second language makes it even harder. In 2023, the Newtown Savings Bank mortgage lending team collaborated with Building Neighborhoods Together in Bridgeport to host a Spanish-language First-Time Homebuyer Seminar. The workshop was designed to empower potential homebuyers with invaluable insights on financial preparation, information on low-interest loan options, and guidance on accessing down payment assistance programs. Attendees were also encouraged to develop short and long-term financial goals. Buying a first home is never simple, but it’s a whole lot easier with Newtown Savings Bank on your side.

¹The Commercial Record

²<https://portal.ct.gov/DECD/Content/Business-Development>

BUSINESS & COMMERCIAL LENDING

As a community bank, our neighbors are at the heart of everything we do. Last year, when a local nonprofit was in need of a large commercial loan, we partnered with peer mutual savings banks to fulfill the request. In doing so, we were able to assist them in continuing to provide services and housing to our neighbors with disabilities.

Our commercial lending team also contributed to job creation in the Bridgeport area. Of note, we assisted a company employing low-to-moderate income individuals by providing access to capital. And, our efforts didn’t stop there; we also helped a local business owner obtain an SBA term loan to open a daycare facility in the city.

These are just a few examples of how we continue to partner with local businesses to help them obtain funding, grow, and serve the communities we call home.

SMALL BUSINESS SPOTLIGHTS

Celebrating Woman-Owned Businesses

Over the past two decades, the number of women-owned businesses in Connecticut has increased by 56%, having a vital influence on the state's economic landscape as well as Connecticut's gross state product. In March 2023, Women’s History Month, Newtown Savings Bank launched a “Small Business Spotlight” social media campaign highlighting this extraordinary growth and showcasing women-owned businesses in our community. Collectively, these businesses generate over \$16 billion annually, an impressive number and a substantial impact.²

Falalala 🎵 Local: Shop Small for the Holiday Season

Newtown Savings Bank’s Falalala Local campaign was conceived in the spirit of giving, celebration, and support of our small business community. During the 2023 holiday season, our employees surprised shoppers at local small businesses with vouchers for their purchases, bringing unexpected cheer and encouragement to continue shopping small. Our small business community plays a pivotal role in our local economy, and this was a particularly fun way to express our unwavering gratitude and dedication.



Customers of Greenwood Features in Bethel (top left), Gisella’s in Danbury (right), and Last Drop Coffee Shop in Monroe (bottom left) receive a bit of holiday cheer from Humberto Navarro and Andrea Fodor of Newtown Savings Bank

NEWTOWN INVESTMENT SOLUTIONS*

Newtown Investment Solutions promoted Luke Robichaud, Certified Financial Planner (CFP®), from Assistant Vice President and Osaic Financial Advisor to Director of Wealth Management and Program Manager.

With an impressive array of FINRA licenses including Series 6, 7, 63, 65, and 24, as well as Life, Variable Life, Variable Annuity, and Health Insurance licenses, he is poised to excel in his new role, continuing to help clients achieve their investment objectives in retirement planning, wealth management, investments, financial planning, and insurance and risk management.



*Please see back cover for Newtown Investment Solutions' full disclosure information.

INVESTING IN OUR GREATEST ASSET, OUR EMPLOYEES

Regional Leadership Training Programs

In 2023, six dedicated employees participated in and completed the Leadership Greater Valley and Leadership Danbury programs. Through these prestigious initiatives, our employees had the opportunity to interact with established leaders, explore key institutions in the region, enhance their leadership skills, build strong networks, and contribute to the community through group projects.

Newtown Savings Bank values our employees greatly. Through these and other initiatives, we continue to invest in those who demonstrate commitment to their personal and professional growth, community engagement, and leadership excellence.

AWARDS & RECOGNITION

Newsweek's 2024 America's Best Regional Banks

Among thousands of FDIC-insured U.S. banks and credit unions in the nation – each assessed on measures of profitability, asset quality, lending activity, online banking and mobile app satisfaction scores, and a customer survey – Newtown Savings Bank is extremely proud to have risen to the top, recognized by Newsweek magazine in its "America's Best Regional Banks and Credit Unions 2024" ranking.

The final standings included 250 banks and credit unions; Newtown Savings Bank was one of only six named with headquarters in Connecticut.



Build Award from Horizons at Sacred Heart University

Newtown Savings Bank was honored to receive the inaugural Build Award presented by Horizons at Sacred Heart University at their annual Connecting Bridgeport Benefit. The award recognizes individuals or organizations who play a pivotal role in building stronger communities and fostering innovation. We're proud to be recognized for our commitment to building a better future for all.



Kenneth Weinstein, President & CEO, is joined by Board members, Brian White, Alan Clavette, Carol Mahoney, and Lauren Trotto after receiving the Build Award on behalf of Newtown Savings Bank

New Leaders in Banking Award

Each year, the Connecticut Bankers Association (CBA) invites member banks to nominate outstanding employees, who have made a notable impact on their bank and the community, for consideration to receive a New Leaders in Banking Award. The CBA receives numerous nominations, which are then evaluated by an independent panel of judges.

Newtown Savings Bank is delighted to applaud Rebecca Brown, AVP, Manager, Learning & Development, and Kelly Williams, AVP, Residential Lending Systems and Operational Efficiency Manager, who were among only 14 bankers selected for this tribute, upholding an eight-year tradition of Newtown Savings Bank recognition.



Newtown Savings Bank employees Rebecca Brown and Kelly Williams are accompanied by Executive Committee members, Anthony Giobbi, Kenneth Weinstein, Carl Josephson, and Jaime Moss, as they receive their New Leader in Banking Awards

STATEMENT OF CONDITION

Assets	December 31, 2023	December 31, 2022
Cash & Deposits in Other Banks	19,527	62,621
Investment Securities	394,065	551,645
Loans		
Residential Mortgages	873,061	662,587
Held for Sale	1,455	-
Homeowner Construction	10,428	24,655
Home Equity	68,395	63,681
Consumer	9,438	13,215
Commercial Mortgages	266,796	263,379
Builder Spec/Commercial Construction	10,304	19,994
Commercial Loans & Lines	106,405	100,197
Total Loans	\$1,346,282	\$1,147,708
Reserve for Loan Losses	(18,961)	(16,864)
Total Loans, Net of Reserves	\$1,327,321	\$1,130,844
Banking Premises & Equipment	19,052	19,701
Other Real Estate Owned	-	60
Other Assets	84,793	77,242
Total Assets	\$1,844,758	\$1,842,113

Liabilities & Capital

Deposits	1,474,939	1,604,672
FHLB Advances & Other Borrowings	198,683	77,726
Other Liabilities	34,987	32,642
Capital	136,149	127,073

Total Liabilities & Capital	\$1,844,758	\$1,842,113
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Selected Ratios

Tier 1 Leverage Capital Ratio	8.03%	7.39%
Tier 1 Risk-Based Capital Ratio	13.71%	14.54%
Total Risk-Based Capital Ratio	14.97%	15.80%

Unaudited

Disclosure of this statement shall not signify that any federal supervisory agency has verified or confirmed the accuracy of the information contained therein.

LEADERSHIP



Board of Directors (All Directors are Corporators)

Back

William A. Brimmer, Jr.
Director

Carrie L. Amos
Director

Glenn J. Nanavaty
Director

Alan J. Clavette
Director

John F. Trentacosta
Chairman

Lauren A. Trotto
Director

James T. Morley, Jr.
Director

Front

Brian C. White
Director

Kenneth L. Weinstein
President & CEO

Carol L. Mahoney
Secretary

James A. Kennedy
Director



Executive Committee

Back

William J. McCarthy
SVP, Chief Financial Officer

Jaime E. Moss
SVP, Human Resources

Kenneth L. Weinstein
President & CEO

Jennifer Sheldon
SVP, Chief Operating Officer

Carl N. Josephson
SVP, Retail Lending & CRA Officer

Front

Matthew C. Matarese
SVP, Chief Risk Officer & Chief Credit Officer

Kathleen A. Gugliotti
SVP, Marketing Director

Anthony F. Giobbi
EVP, Chief Banking Officer

Management Committee

(In addition to Members of Executive Committee)

Patricia W. Cauwels
FVP, Retail Sales Manager

Brian T. Fonck
FVP, Retail Banking & Deposit Product Management

Mary Z. Jascha
FVP, Sr. Commercial Lending Officer

David S. Myrick, Jr.
VP, Deposit Operations/
Electronic Banking

Daniel C. Rosenthal
FVP, Community &
Government Relations Officer

Officers

President & CEO

Kenneth L. Weinstein

Executive Vice President

Anthony F. Giobbi

Senior Vice Presidents

Kathleen A. Gugliotti

Carl N. Josephson

Matthew C. Matarese

William J. McCarthy

Jaime E. Moss

Jennifer Sheldon

First Vice Presidents

Patricia W. Cauwels

Brian T. Fonck

Mary Z. Jascha

Laura U. Manz

Daniel C. Rosenthal

Vice Presidents

Jennifer A. Ciuffo

Christine E. Conway

Ryan C. Diamond

Vincent DiGilio, Jr.

Lars Edgren

Victor A. Falco, III

Harrington Fed, Jr.

Manuel P. Fernandes, Jr.

Peter J. Gerardi

Steven J. Greenberg

Tracy C. Gustafson

William R. Hart

Holly R. Hatfield

Michael T. Hokanson

Edwin W. Holden, IV

Linc Keil

Nancy G. Kuhn

Sarina Manibanseng

David S. Manzer

Marc Massimino

Rhonda McEwen-

Thompson

Hyrije Mehmedaj

Margot J. Melaas

Renee Metzger

David S. Myrick, Jr.

Iris T. Patrick

Michael J. Pida

Katie A. Smith

Dawn Taylor

Kasey Yakovonis

Assistant Vice

Presidents

Patricia Adamo

Amber Austin

Lorena Barreto

Jennifer L. Blatchley

Rebecca L. Brown

Vernal Chong

Julia F. Douglas

Andrea T. Fodor

John W. Francis

Toni French

Sarah M. Hensal

Kelly R. Jack

Philip E. Lukianuk

Holly L. McNamara

Matthew F. Mihalcik

Brianne E. O'Loughlin

James A. Philipakos

Luke Robichaud

Dina Sabia

Erik Secola

Tracey B. Smith

Janice A. Snyder

Bryan N. Terzian

Kelly J. Williams

Paula Wilson

Assistant Treasurers

Michela Blanchette

Alexandra Boschetto

Eric D'Errico

Gail Garzon

Ryan Kelleher

Kathryn N. Korres

Carrie A. Milks

Karissa M. Peters

Agnieszka Stepniak

Rhonda Stokes

Barbara J. Tucker

Nancy Lee Victoria

Tina Woehrle

Alexander Wolan

Corporators

Isabel C. Almeida

Brian Amey

Scott Baggett

Daniel L. Bedard

Bobbi Jo Beers

Rodd B. Blessey

Michelle L. Brown

David J. Cappiello*

Sean M. Carroll

Patrick Caruso

Neil K. Chaudhary

Philip R. Clark

George A. Coleman

Kevin A. Cragin

Jennifer Curran*

Antonio Fernandes

William Florin

Matthew Gilchrist

Robert S. Grossman

James Gulalo

Timothy J. Holian

Joseph R. Humeston

Todd Ingersoll

Michelle H. James

James J. Jowdy, Jr.

Nicholas J. Kopcik

John S. Madzula

Joel W. Malin

John J. Martocci

Robert Matthews

Paul E. Mayer

Kevin McMahon

Robert Morey

Maureen Crick Owen

Ted Parker

Margaret A. Powers

Mark Principi

Anne M. Ragusa

Dawn Reshen-Doty

Lawrence M. Riefberg

Ross Rizzo*

Douglas Rose

Sandy T. Roussas

Andrea Scalzo

David B. Sippin

Joseph D. Skrzypczak

James T. Smith

Lauren H. Soloff

Anthony Stewart*

Paul S. Timpanelli

Douglas H. Wade, Jr.

*Nominated pending election at the 2024 Corporators Annual Meeting

BRANCH LOCATIONS

Newtown

Main Office
32 Church Hill Rd.
203.426.2563

Bridgeport

112 Boston Ave.
475.476.6245

Monroe

Clock Tower Square
477 Main St.
203.268.6395

Southbury

By the Southbury Green
685 Main St. South
203.262.0400

Newtown

Plaza South
274 South Main St.
203.270.7402

Brookfield

Candlewood Lake Plaza
14 Candlewood Lake Rd.
203.775.4164

Oxford

Quarry Walk
280 Oxford Rd.
203.262.8175

Trumbull

Trumbull Center
926 White Plains Rd.
203.445.8103

Bethel

Dolan Plaza
211 Greenwood Ave.
203.744.3233

Danbury

Danbury Executive Tower
30 Main St.
203.205.0080

Shelton

815 Bridgeport Ave.
203.944.0382

Woodbury

238 Main St. South
203.263.5629

Bethel

68 Stony Hill Rd.
203.778.1110

Monroe

Century Plaza
535 Monroe Tpke.
203.459.9985

Shelton

White Hills Shopping Center
194 Leavenworth Rd.
203.944.9655

GENERAL INFORMATION

Mailing Address

39 Main St.
Newtown, CT 06470
Toll Free: 800.461.0672
Local: 203.426.2563

LENDING CENTER

Hamden

New Haven
Regional Lending Center
2321 Whitney Ave.
203.974.8998

NEWTOWN INVESTMENT SOLUTIONS

Investment and insurance products and services are offered through Osaic Institutions, INC. Member FINRA/SIPC. Osaic Institutions and Newtown Savings Bank are not affiliated. Products and services made available through Osaic Institutions are not insured by the FDIC or any other agency of the United States and are not deposits or obligations of nor guaranteed or insured by any bank or bank affiliate. These products are subject to investment risk, including the possible loss of value.

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AMERICA'S BEST
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Equal Housing Lender