

2020 Statement of Financial Condition



**Here
We
Grow.**

“We’re not a bank that settles for good. We’re here to serve the greater good.”



To our Customers and Communities –

A global pandemic, economic upheaval, civil unrest – 2020 was an unprecedented year.

In these uncertain times, I take comfort in the things I am sure of: the cherished love of family and friends, the resiliency and perseverance of our communities, and the common bonds which connect us all. Likewise, I want you to be certain of Penn Community Bank’s commitment to you, your families, and your businesses.

As a part of the neighborhoods we serve for over 150 years we’ve seen it all, and we know the importance of community – especially in difficult times like these. After all, it’s no coincidence “Community” is our middle name. It’s a core value that drives everything we do, and it’s the guiding focus that has made us the largest, mutual bank in the region.

At the onset of the coronavirus pandemic, Penn Community Bank was proud to lead the local response to COVID-19, as only a community-first financial institution could: from equipping our team members with the personal protective equipment and remote work ability they needed to keep them safe, to donating tens of thousands of dollars to area non-profits serving those in need, to applying every resource at our disposal to process and fund Paycheck Protection Program (PPP) loans for area businesses.

This response was only possible because of our strong financial position and mutual structure. Penn Community Bank maintains a 5 out of 5 star rating from BauerFinancial, an independent nationally recognized bank rating service, based on safety and soundness. We are well capitalized with strong liquidity, and our local leadership is focused on you, not shareholders looking only at the bottom line. Because we aren’t publicly traded, we have the freedom to put the needs of our customers first in everything we do – especially in times like these. Our team members understand the needs of local families and business owners, and our local decision-making means faster, easier banking and

lending options to see you through this stretch - and whatever lies ahead.

In addition to being your hometown bankers, our team takes pride in being industry leaders and experts in their fields, able to understand the rapidly changing economic trends and needs that businesses and families are facing and to put solutions into action. As a member of the Bucks County Economic Recovery Taskforce, representative for the Third Federal Reserve District on the Federal Reserve Board’s Community Depository Institutions Advisory Council (CDIAC), and Pennsylvania Member Director for Federal Home Loan Bank (FHLBank) of Pittsburgh’s Board of Directors, I will continue advocating for policies that help our communities overcome and thrive.

As president and CEO, I am so blessed to experience our institution’s deep, personal connection to those we serve and to see the difference that Greater Good Banking can make. Even though social distancing is the order of the day, we will never lose our closeness; instead, we’ll cherish it more. It’s why we were proud to answer the call as “essential workers”, why we’ll continue to work to meet the needs of our communities when it matters the most, and why we’ll persevere, together.

Jeane M. Vidoni,
President and Chief Executive Officer

Consolidated Balance Sheets (In thousands)

December 31,	2020	2019
Assets		
Cash and cash equivalents	\$ 170,073	\$ 38,027
Securities	606,127	497,237
Loans held for sale	12,527	87
Loans receivable (net of allowance for loan losses)	1,630,045	1,673,558
Premises and equipment, net	21,764	23,264
Intangible assets, net	2,031	1,497
Goodwill	7,696	8,475
Other assets	95,257	97,407
Total Assets	\$ 2,545,520	\$ 2,339,552
Liabilities and Stockholder's Equity		
Liabilities		
Deposits	\$ 1,921,812	\$ 1,678,452
Borrowings	272,715	335,249
Advances from borrowers for taxes and insurance	5,801	6,295
Other liabilities	31,296	27,561
Total Liabilities	2,231,624	2,047,557
Total Stockholder's Equity	313,896	291,995
Total Liabilities and Stockholder's Equity	\$ 2,545,520	\$ 2,339,552

I, Charles T. Field, Executive Vice President, Chief Financial Officer of Penn Community Bank, do hereby declare that these Consolidated Balance Sheets have been prepared in accordance with generally accepted accounting principles and are true to the best of my knowledge and belief.

Charles T Field

Penn Community Bank has 23 branch locations throughout Bucks and Montgomery Counties:

- Bensalem
- Bristol
- Buckingham
- Cairn University
- Doylestown
- Dublin
- The Fairway
- Highland Park
- Langhorne
- Levittown
- Lower Makefield
- Milford
- New Britain
- New Hope
- Newtown
- Perkasie - Fifth St.
- Perkasie - Market St.
- Pipersville
- Quakertown
- Richlandtown
- Riegelsville
- Southampton
- Warminster

Board of Directors

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Kelly Finch Mobley

Brian G. Peirce

Bruce J. Weed

Mark D. Worthington

Executive Management Team

Jeane M. Vidoni
President & Chief Executive Officer

Diane Brown
Executive Vice President
Chief Administrative Officer

Robert Coffin
Executive Vice President
Chief Credit Officer

Lewis C. Cyr
Executive Vice President
Chief Lending Officer

Charles T. Field
Executive Vice President
Chief Financial Officer

Georgann Berger McKenna
Executive Vice President
Chief Human Resources Officer

Stephen Murphy
Senior Vice President
Director of Residential Lending & Sales Administration

Christian Wagner
Executive Vice President
Penn Investment Advisors

At Penn Community Bank, our commitment to helping families, businesses, and communities grow drives everything we do.

We know that, by working together, people can achieve remarkable things for their families, friends, neighbors, and community. As the largest independent mutual bank in eastern Pennsylvania, our mission is to stimulate and support those efforts—not only through the products and services we offer, but by sharing information and working side-by-side.



PennCommunityBank.com | 215.788.1234



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Member FDIC