

# Maunasha Bancshares, Inc.

# ANNUAL REPORT 2020

Eye of the Maunasha  
Photo submitted by Ryan Frey 2020



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## FARMERS & MERCHANTS STATE BANK BOARD OF DIRECTORS

Dr. Joseph L. Arena	Andrew Griggs
James A. Beyer	Terry Hellenbrand
William Campbell	Terry Weisensel
Gene Davis	

## DIRECTORS EMERITUS

H. Griff Mason	Melvin C. Martin
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## OFFICERS

Kim Abraham	Vice President & CMO
Cindy Anton	Human Resource Officer
William Campbell	President & CEO
Brad Chadwick	Assistant Vice President Mortgage Loan Officer
Scott Cochems	Senior Vice President Commercial Lending
Jena Bleecker	Compliance Officer
Pamela Davison	Personal Banking Officer
Laura Frey	Vice President Operations
Barbara Hennessy	Vice President Commercial Lending
William Hogan	Executive Vice President & CFO
Kyler Kabat	Assistant Vice President Mortgage Loan Officer
Kasondra Knuth	Assistant Vice President Mortgage Loan Officer
Jim Schaefer	Assistant Vice President Mortgage Lending
David Stronach	Senior Vice President Commercial Lending
Tammy Weisman	Accounting Officer, Credit Analyst

## FINANCIAL SERVICES

Malinda Weisensel	CERTIFIED FINANCIAL PLANNER™
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## STAFF MEMBERS

Nicole Bauer	Austin German	Autumn Rennhack
Amie Booth	Kathy Granzig	Alicia Schimmel
Melanie Degler	Justine Hellenbrand	Stephanie Schimmel
Jason Elliott	Kimberly Kitelinger	Connie Schumann
Rachel Geise	Krista Klemp Moe	Annette Stebnitz
	Jennifer Peaslee	

## MAUNESHA BANCSHARES, INC. BOARD OF DIRECTORS

Dr. Joseph L. Arena	Gene Davis	William Hogan
James A. Beyer	Andrew Griggs	Terry Weisensel
	Terry Hellenbrand	

## CORPORATE PROFILE

Maunasha Bancshares, Inc. (the Company) is a Bank Holding Company incorporated in the State of Wisconsin. It conducts business primarily through its wholly owned subsidiary, Farmers & Merchants State Bank. Principal activities include commercial and retail lending, security investments and deposit services.

Dear Shareholders and Friends,

We are pleased to report 2020 net income of \$3,117,394 compared to 2019 net income of \$2,317,104 a 34.5% increase. This represents earnings per share of \$23.25 in 2020 a 14.2% return on beginning book value. While historically low rates adversely affected our interest margin, they allowed many customers to refinance their mortgages at lower rates. This refinance business contributed significantly to our 2020 income. The special \$1.00 dividend is attributable to the mortgage refinance business, which we believe is unique to the environment in 2020, caused by the pandemic. The regular dividend of \$5.00 per share reflects the fact that we were able to manage the challenges of 2020 and hold the dividend at the same \$5.00 payment as 2019.

Our balance sheet year ended 2020 was \$198 million up 11% from prior year end. Total assets under management increased to \$435 million up 16% from prior year end. Shareholders Equity remains strong at 12.5% of average assets at December 31, 2020.

Maunesh Bancshares, Inc. through its 100% owned subsidiary Farmers & Merchants State Bank is proud to provide leading edge products and services to our communities.



William T. Hogan  
President  
Maunesh Bancshares, Inc.



William E. Campbell  
President  
Farmers & Merchants State Bank

## Maunesh Bancshares, Inc. Consolidated Statement of Condition December 31, 2020

<b>ASSETS</b>	
Cash & Due From Banks	\$ 3,780,276
Federal Funds Sold	9,571,000
Certificates of Deposit	2,225,000
Available for Sale Securities	16,544,379
Loans, net of Reserve for Loan Losses of \$2,285,700	162,862,261
Premises and Equipment, Net	1,650,189
Accrued Interest Receivable	861,810
Other Assets	679,502
<b>Total Assets</b>	<b>\$ 198,174,417</b>
<b>LIABILITIES &amp; STOCKHOLDERS EQUITY</b>	
Deposits:	
Non-interest Bearing	\$ 36,535,529
Interest Bearing	115,862,633
Total Deposits	152,398,162
Federal Home Loan Bank Advances	19,394,873
Interest Payable	246,110
Other Liabilities	2,034,874
<b>Total Liabilities</b>	<b>174,074,019</b>
Common Stock	489,120
Additional Paid in Capital	13,980,957
Undivided Profits	16,745,383
Accumulated Other Comprehensive Income	249,906
Treasury Stock, at cost	(7,364,968)
<b>Total Stockholders Equity</b>	<b>24,100,398</b>
<b>Total Liabilities and Stockholders Equity</b>	<b>\$ 198,174,417</b>
Managed Investments	\$ 45,821,725
Serviced Assets	191,256,797
Total Assets	198,174,417
Total Managed Assets	<b>\$ 435,252,939</b>

## Maunesh Bancshares, Inc. Consolidated Statements of Income Years ended December 31, 2020 & 2019

	<b>2020</b>	<b>2019</b>
<b>INTEREST INCOME</b>		
Interest & Fees on Loans	\$ 7,328,605	\$ 6,977,779
Interest Investments	370,997	470,240
Other	154,454	369,878
Total Interest Income	<u>7,854,056</u>	<u>7,817,897</u>
<b>INTEREST EXPENSE</b>		
Deposits	1,037,410	1,146,045
Borrowings	416,395	508,420
Total Interest Expense	<u>1,453,805</u>	<u>1,654,465</u>
Net Interest Income Before Provision for Loan Losses	6,400,251	6,163,432
Provisions for Loan Losses	255,000	0
Net Interest Income	<u>6,145,251</u>	<u>6,163,432</u>
<b>NON-INTEREST INCOME</b>		
Service Charges Deposit Accounts	148,432	201,241
Other Income	2,801,691	1,110,056
Gain (Loss) on Sale of Assets	0	16,965
Total Non-interest Income	<u>2,950,123</u>	<u>1,328,262</u>
<b>NON-INTEREST EXPENSE</b>		
Salaries & Employee Benefits	2,747,728	2,491,700
Occupancy & Equipment	351,988	334,478
Data Processing	521,096	571,875
FDIC Insurance	32,115	26,001
Foreclosed Assets & Loan Collection	9,727	25,627
Other Expenses	1,151,243	867,075
Total Non-interest Expense	<u>4,813,897</u>	<u>4,316,756</u>
Net Income Before Taxes	4,281,477	3,174,938
Income Taxes	1,164,083	857,834
Net Income	<u>\$ 3,117,394</u>	<u>\$ 2,317,104</u>
Earnings Per Share	<u>\$ 23.25</u>	<u>\$ 16.73</u>

## Maunesh Bancshares, Inc. Consolidated Statements of Equity Years ended December 31, 2020 & 2019

	<b>2020</b>	<b>2019</b>
<b>STOCKHOLDERS EQUITY</b>		
Beginning Equity	\$ 22,568,754	\$ 20,916,272
Net Income	3,117,394	2,317,104
Dividends	(790,194)	(689,145)
Change Unrealized Security Gains	181,926	295,863
Net Treasury, transactions	(977,482)	(271,340)
Ending Equity	<u>\$ 24,100,398</u>	<u>\$ 22,568,754</u>
<b>PER SHARE DATA</b>		
Book Value	\$ 182.08	\$ 163.31
Adjusted Book Value <sup>1</sup>	\$ 180.19	\$ 162.82
Dividends:		
Regular	\$ 5.00	\$ 5.00
Special	\$ 1.00	\$ 0
Earnings	\$ 23.25	\$ 16.73
<sup>1</sup> Adjusted for accumulated comprehensive income.		
<b>PREFERRED SHARES</b>		
Authorized	250,000	0
Issued	0	0
<b>COMMON SHARES</b>		
Authorized	1,000,000	200,000
Issued	195,648	195,648
Outstanding	132,361	138,196
Treasury	63,287	57,452
Weighted Average Outstanding	134,068	138,513

