



Putting Communities First Since 1899

A story told by Steve, Mark, and James Schowalter • Text by Jack Henke

Dedication

We dedicate this book in honor of Ronald James (RJ) and Elizabeth (Bette) Schowalter, who have been the heart of the Schowalter family and its family business, Port Washington State Bank, for the past 75 years. Together, they have exemplified the values of commitment, integrity, and community service that are the foundation of our organization. Though we lost RJ this year, his presence and influence remain woven into the fabric of everything we do, and we are incredibly grateful that he was able to contribute his many stories and memories to this book before he passed away.

The legacy that Ron and Bette created is a testament to their deep love for each other, their family, their business, and the community that they served so passionately. Their enduring partnership of 75 years laid the groundwork for our success story on Franklin Street, where Port Washington State Bank has thrived for 125 years. They inspired the next generation of Schowalters to give tirelessly of themselves, always guided by the conviction that a true community bank is about far more than the bottom line. Their unwavering dedication has been the compass by which the fourth, fifth and sixth generations of the family have navigated, always

striving to support and uplift the community in meaningful ways.

During Ron's period of leadership, his vision extended beyond mere financial success; it was about nurturing connections, supporting dreams, and building a community that is truly unique. Ron knew that a strong community is built not just on resources, but on relationships, trust, and shared values.

Through his leadership, Port Washington State Bank became not only a trusted financial institution but also a cornerstone of community spirit, generosity, and mutual support.

Port Washington State Bank remains committed to fostering a culture of integrity, service, and care, thanks to the example that Ron and Bette set. Their legacy will be carried forward by all who are part of the bank family—our owners, directors, employees, and customers—as we work together to build a stronger, better community for future generations.

With deep respect and admiration, we honor Ronald J. and Bette Schowalter, whose lives exemplified service, community, and love. Their spirit lives on in every interaction, decision, and milestone we celebrate, and their legacy will continue to shape our journey forward.





1893 Port Washington looking northwest. Published by C.J. Pauli.™ Map courtesy of Vintage City Maps.

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INTRODUCTION

Here's a dynamic story, with dramatic twists, turns, and adventurous new challenges to face every day. It's an emotional tale of people whose dreams are at stake and whose future is made possible by a group of hard workers that balances risk with responsibility and opportunity. This is a David and Goliath tale in which the local, independent underdog relies on tenacity, commitment to its community, and agility, enabling it to best much bigger, slower, colossal foes.

This is the story of Port Washington State Bank, and it is decidedly nonfiction. The history of Port Washington State Bank is made up of thousands of little stories. What's notable about each one is that to the people involved in them, they are anything but little. For a century and a quarter, the financial lives of many Ozaukee County residents have depended on PWSB's decisions.

Banking is about people and the things that shape their lives and their happiness... things like homes, businesses, cars, and campers. Milestones like weddings, college degrees and business expansions, have all been made possible by the support of this community bank.

As the Schowalter family continues into its fifth generation of independent, family ownership, the story includes many families... hundreds of employees and their families... and even more customers and their families, too.

How has banking, a business that has no tangible product, had such an enormous impact on so many lives? Banking depends on service. It also depends on vision. Banking is really a business of transformation. It is being able to foresee which cocoons will become

butterflies. Through five generations and counting, Port Washington State Bank has used its insight to help people and their dreams take flight.

Another key term in this story is the word "dynamic." This might surprise a few people who consider banking to be conservative. The balance of consistency and dynamism is a delicate one.

Dynamic. The definition is "expressing action rather than a state of being." Dynamism has been one of the driving forces of Port

Washington State Bank, starting with its founder, Clarence Hill. He successfully passed this trait on through generations of the Hill/Schowalter family, along with a healthy dose of grit mixed in for good measure.

As community banks become increasingly rare, they become more vital to the local communities they serve. People make a community what it is; they are literally its lifeblood. That's why an independent bank that continues to thrive into the future is so important. As the consolidation of big banks continues, the financial industry becomes less personal.

Another dimension is how the Hill/Schowalter family transitioned through five generations of leadership that led the bank through the changes, challenges, and outside forces pushing against it. Through it all, the people of Port Washington State Bank have remained consistent in their unwavering support of each other, and to the communities they serve.

The history of Port Washington State Bank is full of dynamic tales of transformation, of people, and of human nature. They all come together to tell the story of Port Washington State Bank... 125 years of caring and commitment... and counting.



View of customers in the new auto-banking lanes at the Port Washington branch, 1971.



Schowalter family in 2020 (L to R): Mark, Ron and Steve Schowalter. Seated in front of them is James Schowalter.

CHAPTER 1

The Beginning – A Baptism by Fire

1899

In 1899, there were
no banks in Port
Washington.

Earlier, Vail Bank had operated in the city, but it had failed ten years prior in 1889. Back then, banks were not regarded as the stable, trusted institutions they are today. Settlers distrusted banking. Prior to the establishment of the Federal Deposit Insurance Corporation (FDIC) in 1933, banks were only as trusted as the individuals who owned and ran them. Large-scale cash demands by depositors caused “runs” on bank deposits that often proved fatal.

Deservedly or not, banks were blamed for economic downturns. In fact, banking was outlawed in the Wisconsin territory as recently as the 1840s.

A turning point came in 1892, when the Wisconsin Bankers Association (WBA)

was formed. The WBA established a structure and organization for the bankers to communicate with each other and with the public. It was an important first step in stabilizing the banking industry in Wisconsin.

One of the WBA’s members and a future president of the organization, Clarence Hill, was about to change banking history in Port Washington. After working as a telegraph clerk in Ripon, Wisconsin in 1888, he broke into banking with an offer to work for First National Bank in Ripon in 1889. By 1894, this industrious young man was ready to take the next step in his banking career. He helped found the First National Bank of Manitowoc, which is Bank First today.

In 1899, at the age of thirty-one, Hill and his business



Illustration of original bank building circa 1899.

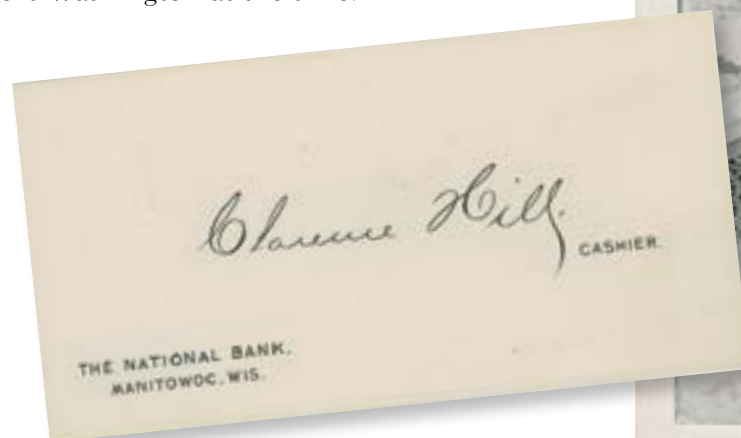
Co-founder and second
president Clarence Hill, 1920.



George Henry, co-founder and first president of the bank.

partner, George Henry, a dentist from Manitowoc, bought land in downtown Port Washington for \$1,800 upon which to build a bank of their own. Besides the absence of any banks in Port Washington, there were two other factors that made this an attractive location to start the bank. Port Washington was a very strategic choice because it was a commercial port. Transportation and commerce by water were critical at that time.

There was one other factor. While George Henry may have been purposeful in this effort, it was a decidedly non-commercial factor – love. George Henry was courting the daughter of a Mr. & Mrs. William Smith of Port Washington at the time.



Young Clarence Hill in 1890s and his first business card as a banker.



MILLION DOLLAR FIRE AT PORT IN 1899



View of City, East of Franklin Street to the Lake, before Fire

The most devastating of early day fires occurred in Port Washington thirty-six years ago at 9:15 p. m., Feb. 19, 1899, when a million dollar loss was suffered through the complete destruction of the Wisconsin Chair Co. plant. One fireman, Pipeman Hackett of Milwaukee was killed, Capt. Lineham of Milwaukee was almost fatally injured, and, one local volunteer, A. M. Krause was severely injured by a falling chimney.



Looking North after the Fire

protected by a fire wall. The fire started on the fourth floor in the veneer pressing room. The cause is still undetermined. Two months after the blaze the new plant was under construction. The old plant had been insured for \$300,000, leaving an approximate loss of \$300,000. The blaze is compared to the famous Third Ward fire in Milwaukee years ago and is regarded as one of the most devastating in the history of Wisconsin.

PAGE EIGHT

Milwaukee's and Sheboygan fire departments aided the local department in fighting the flames which destroyed the entire plant, fourteen homes and eleven small business shops. The C. Eckel shop, next to Smith Bros. Market, was the only building in the fire area to remain standing, due to its brick construction.

Everything east of Franklin Street was reduced to ashes, except the west halves of those blocks between Pier and Main Streets, which were



Looking Southeast after the Fire

Two days after they purchased the land, one of the largest fires in Wisconsin history occurred at the Wisconsin Chair Company, which was near their new lot. Started in 1888 by Fred Dennett, Wisconsin Chair was the largest employer in the area at the time. The fire was so big that the glow of it could be seen in Whitefish Bay – over twenty miles away. It destroyed six city blocks in all, consuming businesses and homes.

As great as the blaze was, it was no match for the entrepreneurial fire that burned within Clarence Hill. Clarence had sold his interest in the Manitowoc bank he helped found for his stake in the capitalization of Port Washington State Bank. Hill and Henry obtained a state charter instead of a national one, which was a better fit for their business plan.

They built Port Washington State Bank on the same site where it stands today – 206 N. Franklin Street in downtown Port Washington. The bank was founded with \$25,000 in capital. Steady, consistent progress got the banking ball rolling in 1899, and it has been moving forward ever since.

George Henry was Hill's financial partner and investor who, along with Hill, provided the necessary funds for the charter. While he is listed as the first president of Port Washington State Bank, Henry didn't work at the bank. Clarence, on the other hand, was hands on from the beginning. His original title was "Cashier." That would translate today to Chief Operating Officer (COO).

It is difficult to overstate how bold Clarence Hill was in starting the bank at that time in history. As noted, banking was outlawed in the Wisconsin territory less than sixty years earlier. The public still did not trust banks.

Today, banking is considered a safe, conservative industry; however, in reality, it

is a profession built on risk. Since banks are dependent on their customers' ability to pay them back for their loans, there is a lot of risk in owning a bank.

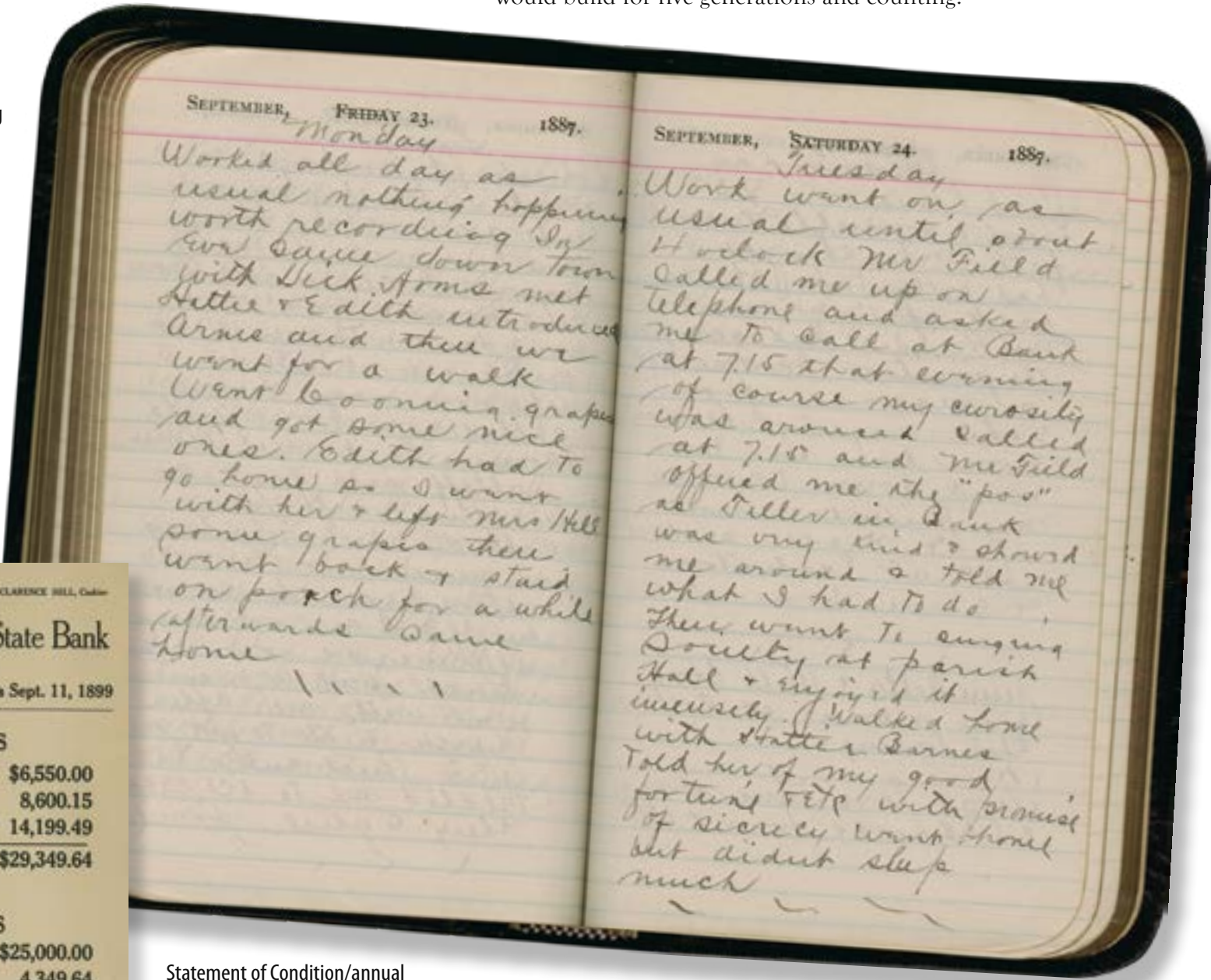
As Rose Oswald Poels, President/CEO of the WBA said, "There's always some level of risk in the banking industry - it is what we're about, but managing those risks, not being overweighted in any one industry where there might be a little more risk than others, is sound management."

Clarence Hill doubled down on his investment of dollars

and of risk just over a decade after opening the bank, when he purchased George Henry's interest in the bank in 1910. The streak of one family (Hill, Schowalter) ownership continues today.

To outsiders, banking might be considered a conservative profession. Clarence Hill bet on himself and on the people of Port Washington. He went all in twice in eleven years: first came his initial investment to start the bank, and then in 1910 to become the principal owner. He was truly a dynamic leader. Hill's faith in himself and in the people of Port Washington were traits that would continue on through his family and the team they would build for five generations and counting.

Clarence Hill's diary entry upon accepting an offer to work for The First National Bank of Ripon.



GEORGE E. HENRY, President

CLARENCE HILL, Cashier

Port Washington State Bank

Statement at Close of Business Sept. 11, 1899

RESOURCES

Loans and Discounts	\$6,550.00
Banking House	8,600.15
Cash and Due From Banks	14,199.49
Total	<u>\$29,349.64</u>

LIABILITIES

Capital	\$25,000.00
Deposits	4,349.64
Total	<u>\$29,349.64</u>

Statement of Condition/annual report document - close of business 1899 (opening day).

CHAPTER 2

Building Up – Banking Trust

1900-1921

As it started its first decade in business, Port Washington State Bank was up against bigger challenges than most startups.

Entrepreneurship is tough enough, but Clarence Hill and George Henry faced a more imposing obstacle – lack of public trust.

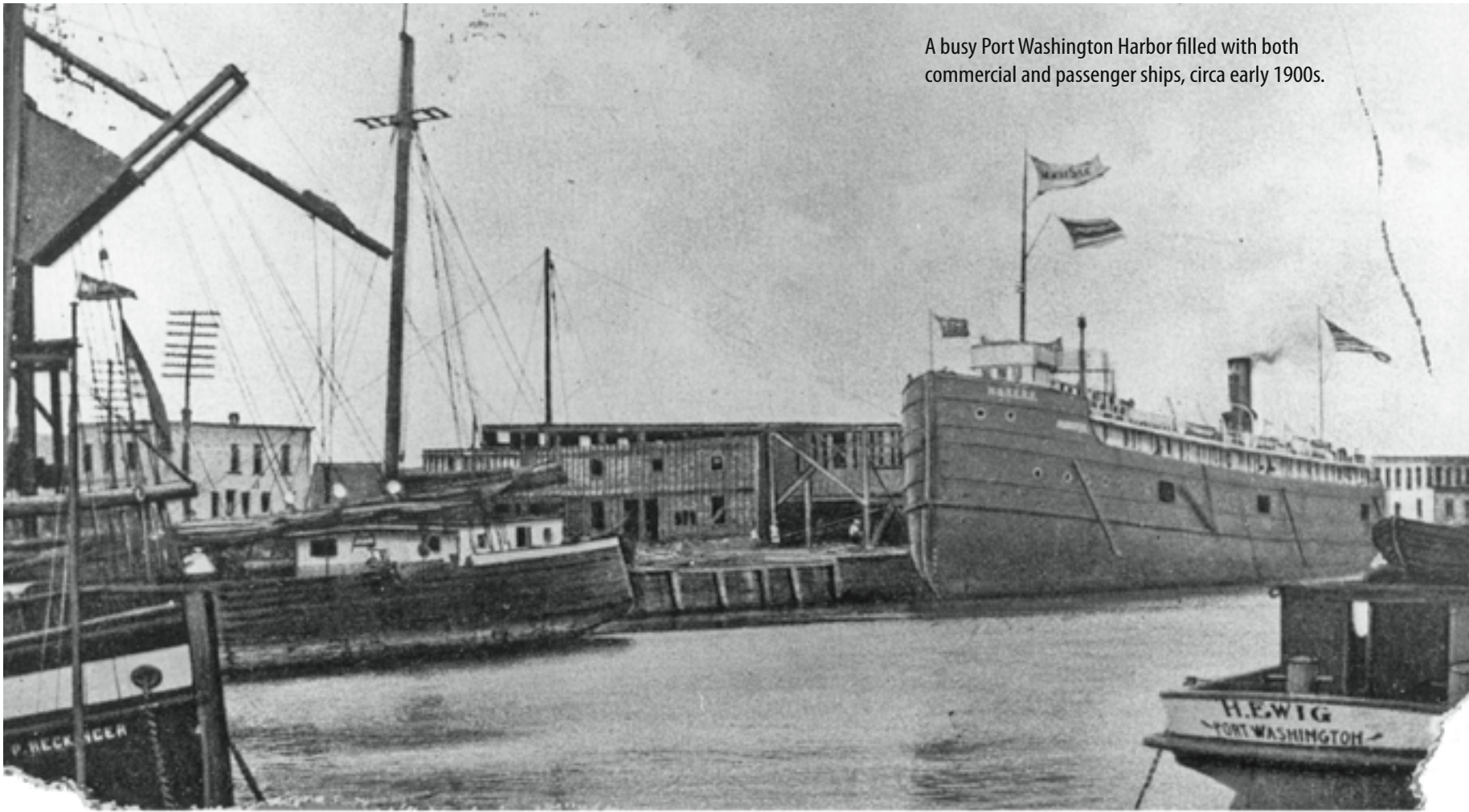
It was not caused by anything Hill and Henry had done

professionally or personally. The distrust was more widespread and was aimed at the entire banking industry. Whether they had been run by schemers or incompetents, in the years prior to Port Washington State Bank opening in 1899, banks failed at an alarming rate.

Many of the bank failures had not been the result of scams. They were simply the result of mismanagement. As WBA President F.J. Carr said in 1907, “Weak heads have wrought more ruin than wicked hearts. The most valuable asset we have is public confidence.”

The Port Brewery and Wisconsin Chair Factory in the distance.





A busy Port Washington Harbor filled with both commercial and passenger ships, circa early 1900s.

Earlier, in 1889, a local bank failed with \$300,000 in liabilities and no assets. Having been burned before, the locals were still “cold” to the idea of supporting a new bank. Public confidence had to be rebuilt.

The founding of the Wisconsin Banking Association (WBA) in 1892 was the first organized step in the right direction here in the dairy state. Facing many years of mistrust, Wisconsin became the twenty-first state to establish a bankers’ association. The goal of the group was simple and straightforward – promote the general welfare and usefulness of the banks in the state.

Trusted or not, the business world needed what banking could provide. Many business sectors realized they needed to tap into financial resources greater than they had themselves in order to grow. Growth demanded more capital, currency, and easier credit. The market needed banks. The solution was a bank that could be trusted ethically and respected for its business acumen and judgement.

The year before Port Washington State Bank was built, an article appeared in the *A.D. Bolens Star*, A Historical Semi-Centennial Edition dated July 4, 1898, with this headline:

What we need and need badly

“A bank with \$100,000 capital or more. Our manufacturing concerns are too big for a small bank to take care of and therefore the several attempts to operate on a small scale have been unsuccessful. Our factories need at times large lines of credit and are compelled to do business with Milwaukee or Sheboygan banking houses. A bank here with sufficient capital to accommodate both the factories and businessman would prosper and be a good investment for its owners.”

Enter George Henry and Clarence Hill. They saw an opportunity and acted on it. The first year of operation the deposits were \$52,000. Two years later, they had reached \$169,000.

Statement of Condition/annual report document dated May 10, 1918

Port Washington State Bank			Statement at the Close of Business, May 10, 1918.	
RESOURCES:			LIABILITIES:	
Loans and Discounts	\$426,887.06		Capital Stock	\$ 50,000.00
<small>Money solely placed for active circulation in Cassiow County, supporting and encouraging the different industries.</small>			The investments of our stockholders.	
Real Estate, Furniture and Fixtures	12,269.00		Surplus and Profits	46,002.73
<small>Representing our investment in Real Estate, and a portion of the money spent in performing our equipment for the safety and convenience of our customers.</small>			<small>Same as above. The bank must have the amount of these two items plus an additional \$50,000.00 (stockholders' fund) before the deposits could be made.</small>	
Due From Banks	140,931.45		Deposits	497,644.10
<small>Balance to our credit in other banks subject to our order.</small>			<small>Proof that the principal Depositors Country approve our methods.</small>	
Cash	13,559.32	154,490.77		\$593,646.83
<small>Is not made. This with all balance constitutes our fund.</small>				
		\$593,646.83		

The Oldest Bank in Port Washington.

How did Port Washington State Bank achieve such success so quickly? Hill and Henry became known for investing their money back in the city and helping many local ventures start and grow. Their bank was written up as “a progressive financial institution, keenly alive to its own as well as the community’s best interest, and as a consequence it has prospered amazingly, together with the local industries which have been wisely and conservatively fostered.”

Port Washington State Bank was solidly on its way, yet it did not operate in a vacuum. Outside forces brought the next challenge – the currency shortage in 1907. The “Panic of 1907,” as it was called, was the first worldwide financial crisis of the twentieth century. It transformed a recession into a contraction surpassed in severity only by the Great Depression. This global financial crisis inspired the monetary reform movement and eventually led to the creation of the Federal Reserve System.

The Panic of 1907 was set off by a series of bad banking decisions and a frenzy of withdrawals caused by public distrust of the banking system. J.P. Morgan and other wealthy Wall Street bankers lent their own funds to save



Franklin Street, looking North, early 1900s.



Inside of PWSB, Norman Henze, Ed Altendorf, Henry Adam at teller station, June 1914.

the country from a severe financial meltdown.

On a local level, for three months, no additional currency was available to Port Washington State Bank. It had been shipped West to pay for a bumper crop of wheat. At the same time, the Milwaukee Northern Railroad had been completed and the rail workers demanded their wages. While the bank had only \$12,000 on hand, it advanced \$3,000 of it, which was paid back in nickels and dimes collected in train fares.

While it never garnered the attention that the Great Depression or the Great Recession did, the Panic of 1907 had severe real effects. Industrial output fell 17 percent in 1908, and real GNP fell by 12 percent. Only the Great Depression was more severe. The parallels between the crises in 1907 and 2008 are striking. During 2007-09, the financial problem

centered on investment banks, institutions without direct access to the Federal Reserve System.

But unlike the Great Depression or the Great Recession, the economy recovered much more rapidly, in little over a year after 1907. The panic's impact is still felt today because it spurred the monetary reform movement that led to the establishment of the Federal Reserve System.

Port Washington State Bank strengthened its stature by how they deftly maneuvered through the panic and continued to be a source of financial stability. Sir Winston Churchill is credited with first saying, "Never let a good crisis go to waste." Port Washington State Bank did well by doing the right thing. During this financial panic, Hill and his bank displayed a responsiveness and willingness to work with customers.

Period coin dispenser
from PWSB.



By 1908, the local Port Washington economy was booming. The need for a strong, trustworthy community bank was acute. In a 1908 booklet, the Port Washington Business Men's Club stated:

"Port Washington has twenty factories, including a large chair factory, three foundries, two gasoline engine works, plow works, table factory, flour mill, three first class hotels, numerous hotels and boarding houses, two public parks, several private parks, including Columbia Park, a favorite resort, one bank, two brick yards, five churches, excellent public and parochial schools, a brewery, malt house, five newspapers, ~ and a few saloons."

Mark Schowalter, a fourth-generation Schowalter family member who made his career at the bank, shared his insight on the situation, "I saw a much-underserved market that I am sure we were going after. I know we banked a majority of manufacturing and other businesses during this time. The First National Bank did not open until 1910 to provide competition in our market."

Clarence Hill standing
in the lobby of the
bank's 1921 building.



Mark’s analysis is backed by comparing the numbers across the first decades of its existence, which show strong growth:

PORT WASHINGTON STATE BANK

Deposits and Capital from its first two decades:

	Deposits	Capital
1899	\$52,428.32	25,000.00
1909	\$258,687.21	\$50,000.00
1919	\$681,196.98	\$50,000.00

Mark, the bank’s historian and archivist, explained further, “You can see that the growth is there. I think pre-WWI and our entry into it, the economy was probably booming with manufacturing related to the war effort. Post WWI there was an inflationary period and recession that had to be navigated. The bank was fairly conservative and always held more than sufficient reserves to weather economic cycles. We have always been invested locally which added to our stability. From things I read we were there to help returning veterans. Additionally, Clarence Hill led Savings Bond drives in the county during both World Wars.

‘So, the first 20 years were about growth and building trust in the bank. Port Washington had a diversified mix of businesses and manufacturing which we served. The harbor and railroad were important points of commerce. A.D. Bolens’s wish to have a bank for Port Washington was prophetic, and we filled that gap.”

In 1921, just twenty-two years after the bank was founded, the original bank building was torn down and a new bank building was built on its site. The opening of the new building was a nice affair with guests invited by invitation. The event was covered in the local newspaper. This coverage provided more insight from Mark Schowalter, who said:

“In the April 16, 1921, edition of *The Port Washington Star*, there was a story on our new bank building opening. They listed stockholders and they numbered over 100. That shows me tremendous buy-in to our bank by the community and surrounding areas. That and the construction of the new bank



Collection of vintage bank account books from PWSB.

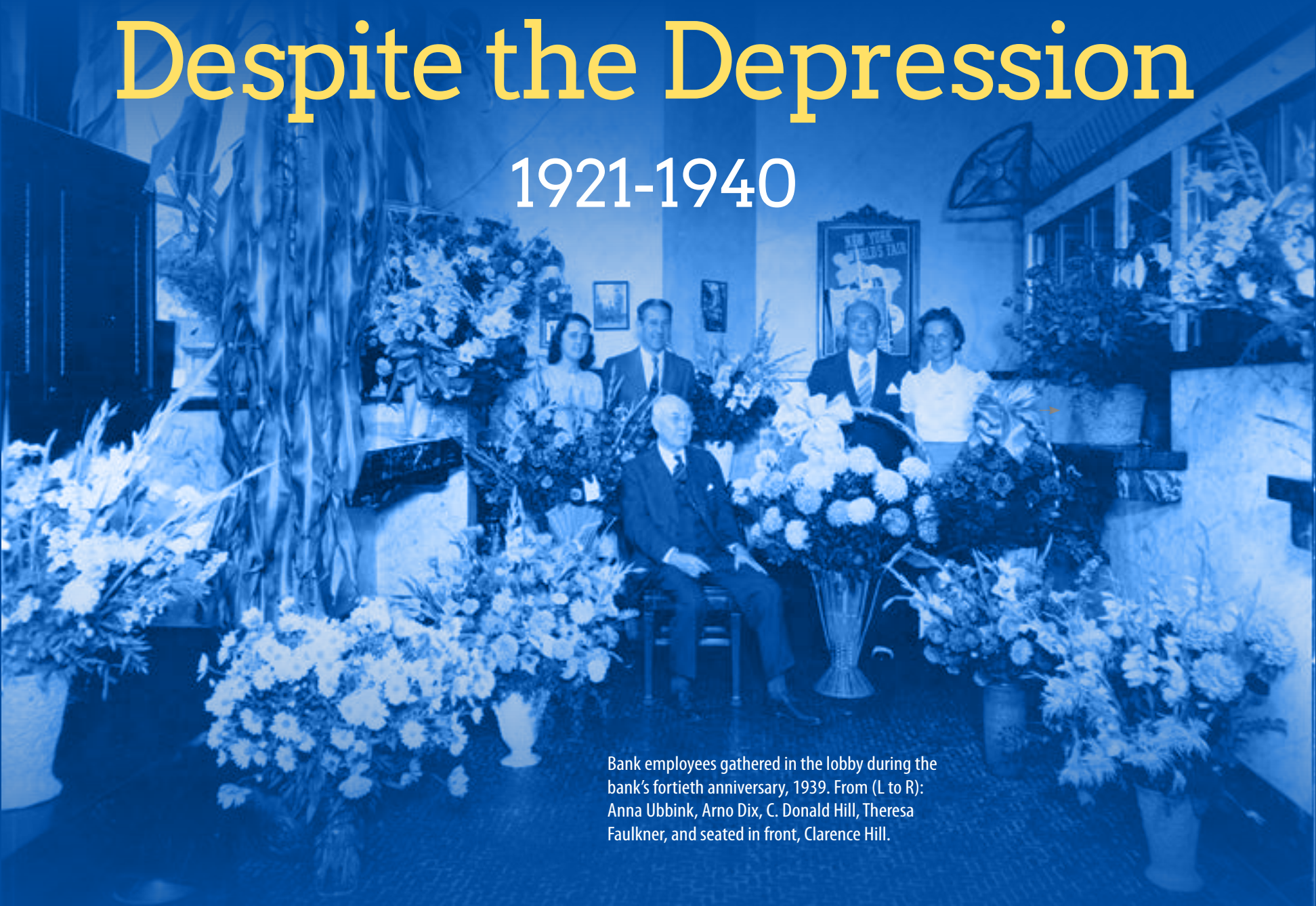
office makes the first twenty years of growth and building confidence seem a resounding success. Stockholders represented many of the manufacturing, industrial, retail, and professional individuals in the area. The same article went on as to how those running the bank and employees hired by Clarence inspired confidence. There weren't a lot of employees in the early years but people like George Henry, Clarence Hill, H.C. Boerner, Henry Adam, and C. Donald Hill were well known in the community.”

Port Washington State Bank’s foundation for success was laid in its first twenty years in business: capitalize yourself well, invest in Port Washington’s local businesses and citizens, be there to lend a hand when needed, and serve with a team who cares and inspires confidence. These attributes would be tested soon as the United States was about to enter the worst economic downturn in U.S. history.

CHAPTER 3

Quite an Impression, Despite the Depression

1921-1940



Bank employees gathered in the lobby during the bank's fortieth anniversary, 1939. From (L to R): Anna Ubbink, Arno Dix, C. Donald Hill, Theresa Faulkner, and seated in front, Clarence Hill.

With co-founder and partner George Henry having retired and moved to California in 1911, Port Washington State Bank was truly in Clarence Hill's capable hands.

He succeeded Henry as president, and under his guidance, the bank grew in both assets and in stature.

With assets and deposits increasing, the bank was growing so much that Hill tore down the original bank building and replaced it with a brand-new home in 1921. The bank's new facility was hailed for its taste and functionality. On the eve of this event, *The Port Washington Star* gushed, "It is much to be doubted if there exists anywhere in this broad and prosperous land a banking house which

Port Washington State Bank
statement of condition, June 1935.

CLARENCE HILL, Pres. DONALD HILL, Cashier ARNO DEK, Asst. Cashier ADOLPH N. ANSAT, Asst. Cashier	
Port Washington State Bank	
OFFICE AT BELLEVUE, WISCONSIN Member Federal Deposit Insurance Corporation	
Statement at Close of Business June 29, 1935	
RESOURCES	
Loans and Discounts	\$609,677.14
Other Bonds	278,885.04
Banking House	33,000.00
Cash and U. S. Bonds	504,907.81
Total	\$1,426,469.99
LIABILITIES	
Capital Stock	\$100,000.00
Surplus	100,000.00
Undivided Profits	44,055.88
Deposits	1,182,414.11
Total	\$1,426,469.99

combines so great a degree of beauty with utility.”

It is difficult to comprehend how Clarence Hill and his team overcame the untrustworthy perception of banks in just over two decades in Port Washington. That they were able to transform Port Washington State Bank into a symbol of security and optimism in that short time frame is astounding. The same article stated it well: “The future is bright with promise both for this securely built financial institution and the community it serves.” Dynamic it was.

Of Hill personally, the publication concluded: “One cannot conclude this article of this character more properly than to express, on behalf of our people entertained for Mr. Hill as a man and a citizen. Perhaps it is no exaggeration to say that he is our best loved representative citizen.”

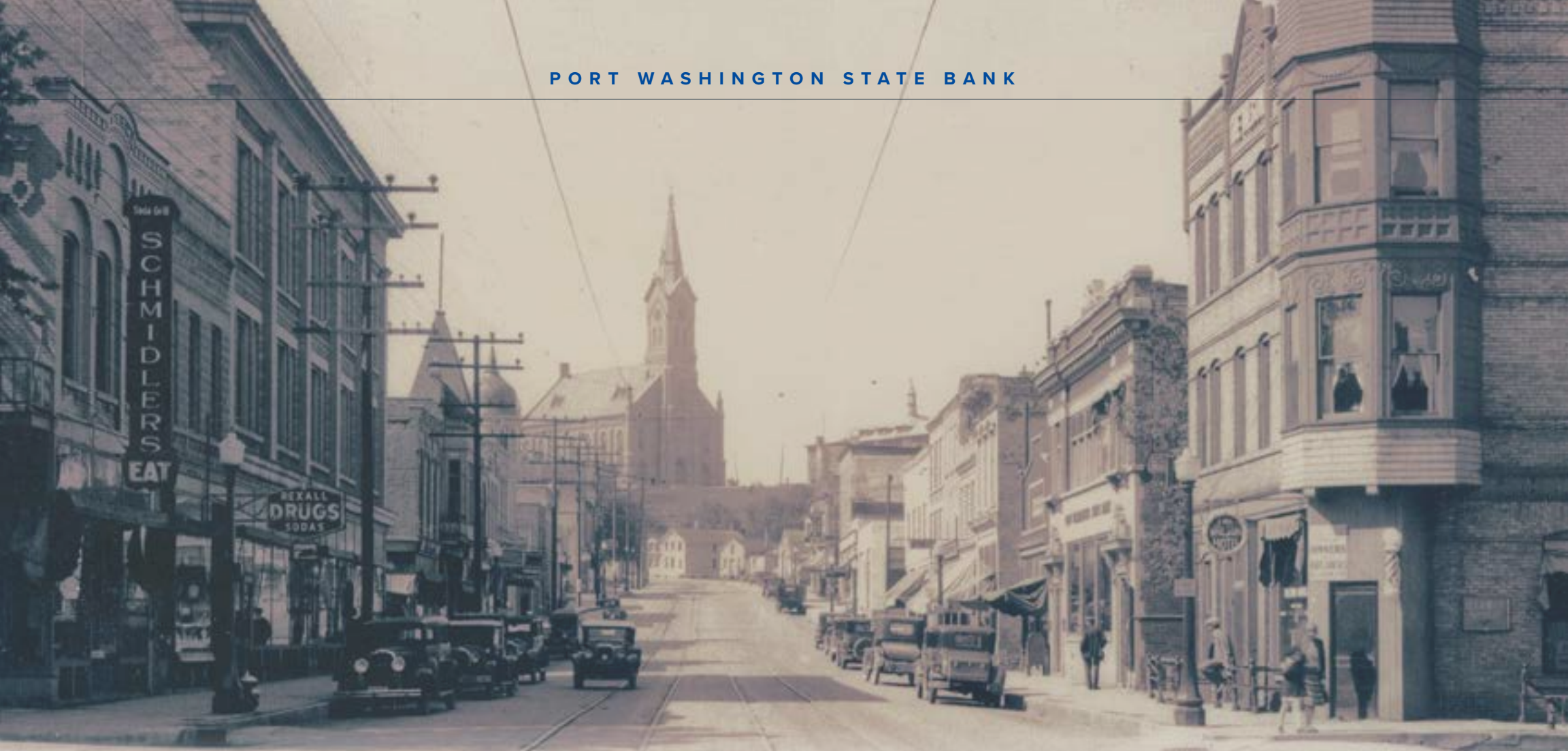
The community’s confidence in Hill and his bank were well-founded and put to the ultimate test – the Great Depression. There were many factors that caused the Great Depression, with bank failures being one of them. Many small banks had lent large portions of their assets for stock market speculation and were virtually put out of business overnight when the market crashed. In all, 9,000 banks failed.

While credit froze up on national and international levels, Port Washington State Bank remained steadfast and offered security to the local community. Hill held enough funds in reserve to stem any demands depositors might make on the bank.

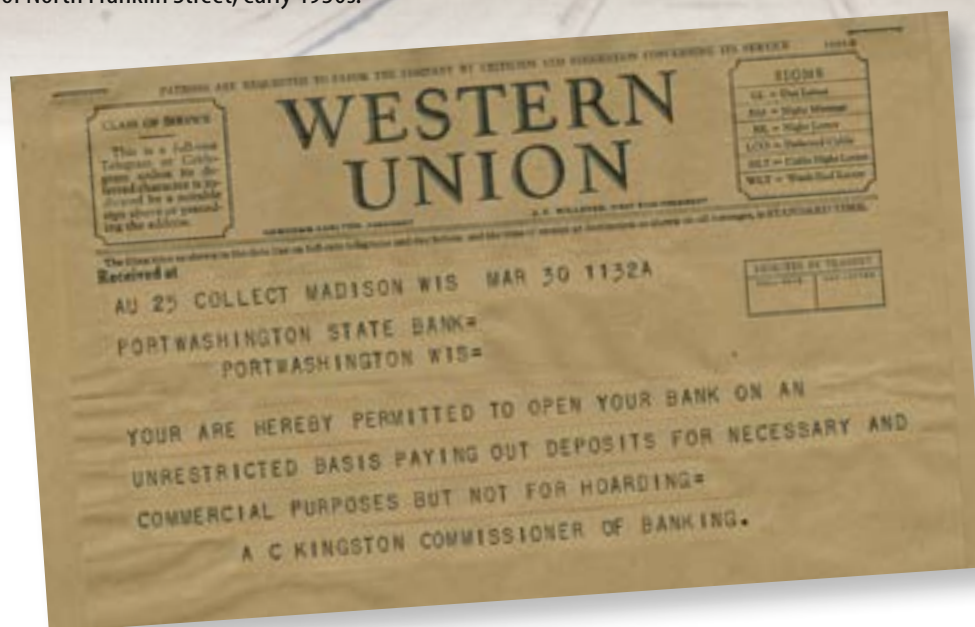
At that time there was no deposit insurance, so many people withdrew their deposits and held currency rather than keeping it at the bank. Many bank runs



The bank's new building erected in 1921. Note the interurban rails in the street and hitching poles which were used to secure horses while inside buildings.



A view of North Franklin Street, early 1930s.



Telegram received from state banking commissioner indicating bank could reopen after the Bank Holiday.

he defied the State of Wisconsin's 14-day banking moratorium or "bank holiday" declared by Governor Albert Schmedeman on March 3, 1933. It was Hill's knowledge of his bank's stable finances that allowed/emboldened him to defy the bank holiday. Hill was not prone to rash action, and he had good reason. He sent a telegram to the banking commission in which he explained his defiance and his reasons for doing so. He was vindicated a few weeks later by return telegram approving his action.

President Franklin D. Roosevelt declared a national four-day "Bank Holiday" beginning March 6, 1933 which suspended banking transactions nationwide. Port Washington State Bank was in a category that was allowed to open immediately after the holiday due to its financial position and stability. Port Washington State Bank is credited with materially aiding in reestablishment of sound conditions in this community during this turbulent period.

occurred, as depositors were wary of failures.

In the Depression, withdrawals became "heavier" every day from 1929 to 1933. By 1933, assets were down to \$570,000. But good loans kept Port Washington State Bank going through the Depression. By 1934, deposits were back to peak days.

Clarence Hill's independent spirit was on display again when

In the midst of the chaos, Port Washington State Bank did more than sustain itself – it grew. The bank opened its first branch in January 1933, in the nearby town of Belgium. The Citizen's Bank of Belgium was liquidated and became the first branch of Port Washington State Bank. Customers in Belgium had access to the numerous services that Port Washington State Bank offered. The new bank team pledged their support in developing the community. While it struggled in its previous incarnation, the Belgium branch prospered under the guidance of Hill and his team, which included Adolph Ansay, the manager who stayed in the employ of the bank for more than 60 years.

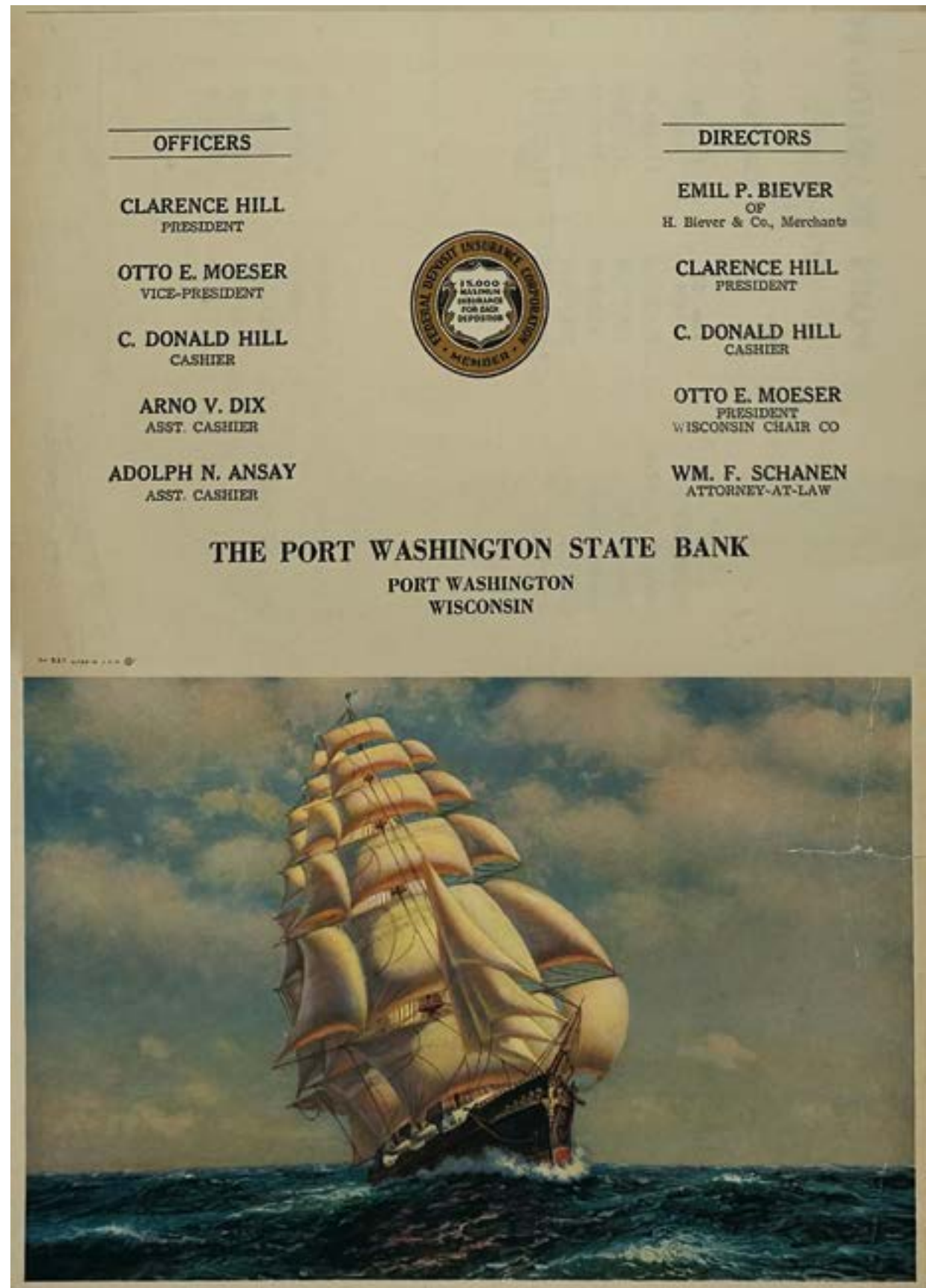
Meanwhile, the Federal Deposit Insurance Corporation (FDIC) was created in 1933. The FDIC is an independent agency created by Congress to maintain stability and public confidence in the nation's financial system. The FDIC insures deposits; examines and supervises financial institutions for safety, soundness, and consumer protection.

By 1935, the international economic situation had eased somewhat, recovery was becoming apparent in the U.S., and Port Washington State Bank's statement of condition showed total assets of almost one and a half million dollars.

Clarence Hill was credited for his business acumen and for his rare ability to surround himself with the most able and dependable people. The exceptional team he built included Henry Adam, Norman Henze, Arno Dix, Adolph Ansay, his son C. Donald Hill and Miss Anna Ubbink.

In June of 1937, the United States was still in the grip of the Depression.

A portion of a statement listing officers and directors of the bank, 1934.



While many were feeling overwhelmed by the length and depth of the national financial crisis, Clarence Hill took on still more responsibility. He was elected president of the Wisconsin Banker's Association (WBA). He was a steadying influence at a time when few could be found and received statewide recognition for his efforts. He served the organization well. His dedication was on display as he continued to serve on the WBA executive board for several years following his presidency.

In addition to performing well within the banking industry, during both World War I and World War II, Hill was treasurer of the Ozaukee County war bond drive. He also served as a chapter chairman and the treasurer of the Ozaukee County Red Cross.

Following WWII, Hill, C. Donald Hill, and Arno Dix were instrumental in formulating a policy to aid returning servicemen acquire homes. This initiative was put into action. Their policy of granting loans to veterans for constructing homes was emphasized at Port Washington State Bank. At one point, the bank had loans of over \$700,000 granted to ex-servicemen. Not one loan had been lost.

These initiatives, along with Hill's long and storied service in the Free and Accepted Masons, set an early standard for community service

Following World War II, Clarence Hill, C. Donald Hill, and Arno Dix were instrumental in formulating a policy to aid returning servicemen acquire homes.





Clarence Hill next to the bank's business directory circa 1930.

and giving back by Port Washington State Bank. He earned the rare 33° Mason designation. The 33° Mason is a Master Mason who has exhibited knowledge, passion, and sacrifice to his craft. The 33° is a way of honoring outstanding and selfless work performed in the Masons or in public life.

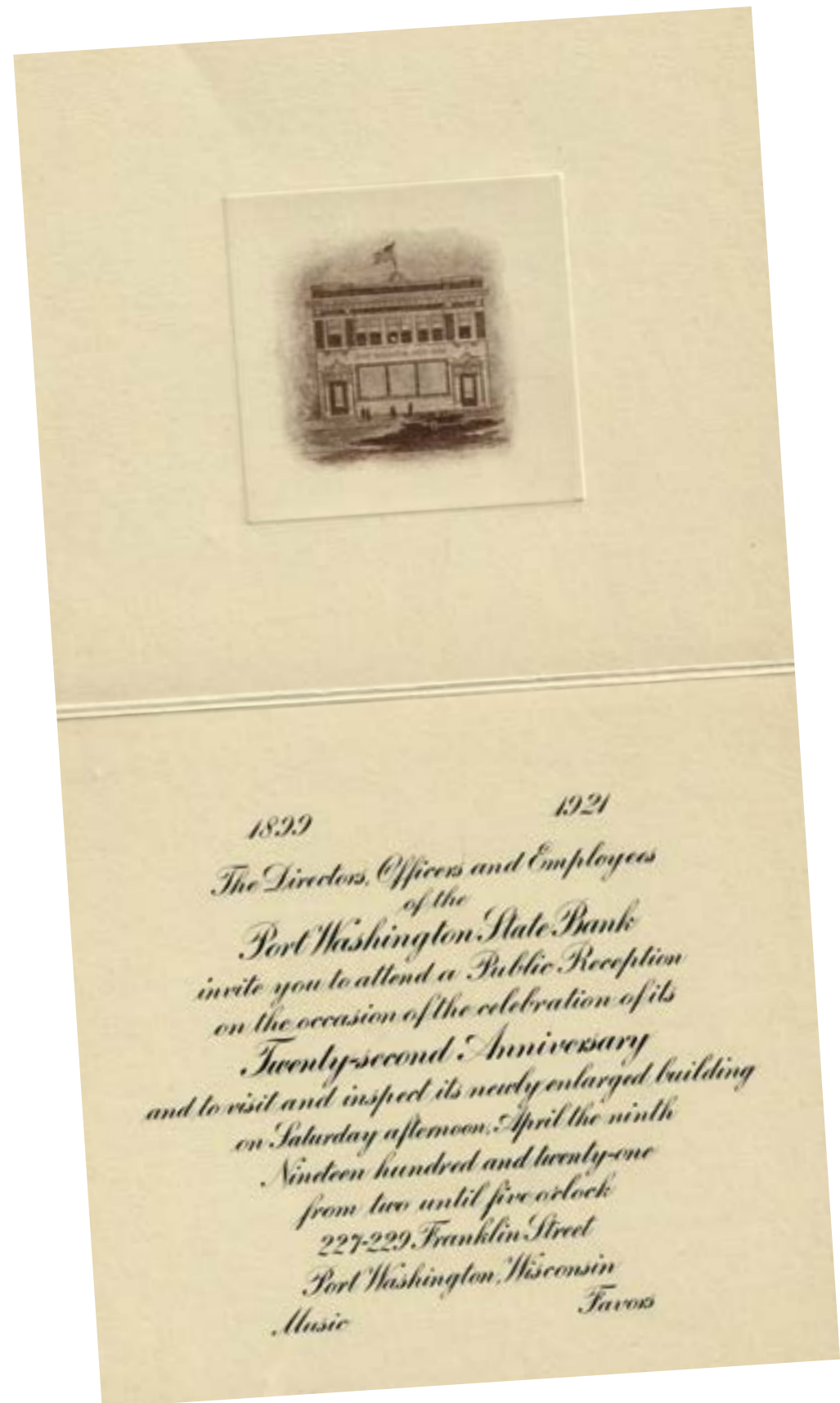
Consistency was a clear goal, which Clarence Hill achieved professionally and personally. He observed his fiftieth anniversary in the banking business in 1938. He and his wife were married for over fifty years.

There are other ways to measure consistency besides longevity. Hill and his team were determined to be solvent at all times, boom or depression.

Clarence Hill was a rare combination of being conservative and defiant, a person of consistency and action. He built trust by doing, both for his bank and for others.

He also established the template for team building that is so vital to the success of Port Washington State Bank today. That tradition has been well documented and expanded. Its team of “people of promise” has served Port Washington State Bank, its community, and its customers for one hundred and twenty-five years.

An invitation was sent out to invite citizens of Port Washington to view the new building at a grand opening ceremony on April 9, 1921.



CHAPTER 4

Dynamic Consistency Amid Continual Change

1941-1959



Community Chest meeting from 1955,
courtesy of Ozaukee Press.

The late 1930s marked a critical time in the history of the bank.

It marked the first time leadership was being handed down from one generation to the next. The founder and leader of the first generation of family leadership, Clarence Hill had been president since 1910. He led the bank through recessions, WWI, the Roaring Twenties and the first part of the Great Depression. In 1936, after serving twenty-five years as president, Clarence relinquished that role

and was elected Chairman of the Board and C. Donald was elected the bank's president.

C. Donald "Don" Hill was Clarence Hill's only child. He started at the bank in 1918 as WWI was ending. While America was roaring through the 1920s, Don worked his way up at the bank. Five years into his presidency, the Japanese attacked Pearl Harbor and the United States was suddenly in the middle of WWII.

At home, Don Hill and his wife Agnes had three daughters, Elizabeth, Mary and Carole, each born five years apart. The oldest



The Hills in December 1946; from (L to R), Elizabeth, C. Donald, Mary, Carole and Agnes.

Young Ron's first impression of C. Donald was "that he was a banker." Ron didn't know what a banker was at the time. He said, "He was the president so I thought he must be important."

How did C. Donald feel about Ron? He certainly seems to have approved. As Ron said, "He didn't kick me out of the house when I came to pick Bette up."

C. Donald soon made his positive opinion of young Ron Schowalter clear with a proposal of his own. As Ron explained, "Shortly before we were married, C. Donald asked me, 'Would you ever consider working for the bank?' That came out of the blue to me. I was working with my father in the construction business."

Ron grew up in rural Saukville. His grandfather had been a tailor in Milwaukee until he bought a forty-acre farm in Saukville, near Port Washington and moved his family there. In later

years, Ron purchased part of this property and donated it to the village to help establish Schowalter Park.

Ron's health became an issue in 1945. Like many in his generation, Ron enlisted in the United States Army Air Corps. He contracted rheumatic fever during his service in WWII, a condition that attacks the heart. He was unable



Bette and Ron in Hgh School, 1944.



daughter, Elizabeth, or Bette, for short, who was to play an important role in the future direction of the bank. She worked in the bank during high school. Bette was in bookkeeping, or the back office as they called it at the time.

Bette attended Port Washington High School, where she met an industrious young man named

Ronald J. Schowalter from nearby Saukville. Bette and Ron started dating as sophomores in 1942. They graduated together in the class of 1944. Ron proposed to Bette in 1948 and they were married in 1949.



Bette and Ron's wedding day, 1949.

to walk and was bedridden in an Army hospital for some time. This led to his honorable discharge.

When he got out of the service, he was advised to find less physically strenuous work due to his condition. The life expectancy for a person with rheumatic fever at that time was about ten to twelve years. He thought, "That isn't so bad. When you're only twenty-two, twelve years is a long time."

Ron's family was entrepreneurial. His dad, James, had a contracting business in which they did roofing and siding. James told prospective customers that he



Ron in the Service.

could do anything. Ron said, "My father would take a job and say to me, 'Here - you figure out how to do it.'"

Ron worked in his father's contracting business while he was going to school taking business courses. Although he grew up in a farm environment, he was not interested in the agriculture business. Still, it was good experience for him. "I understood the farmers and the agricultural loans a lot better because I knew what they had to do."

After considering C. Donald's job offer, Ron decided to try banking. He said, "I found a suit and

PORT WASHINGTON WINS PAYROLL SAVINGS PLAN "FLAG CITY" AWARD





Anna Ubbink (right) celebrating the end of WWII with another bank employee.



One of the bank's many friendly "ad boards" featured in the lobby from the 40s. These ads were hand painted and customized for various banks.

a necktie and a vest. I gave it a try and became a bank teller. At that time, everybody in the bank was a teller. The president of the bank had a window, and he did work as a cashier."

One of his jobs early on in his career was when the bank had too much surplus money, Ron would take it down to Milwaukee in a briefcase and deposit it at First Wisconsin Bank. He said, "I'd drive with \$100,000 down to Third Street in downtown Milwaukee and deposit it. That was a lot of money back in those days. It was not possible to get a Wells Fargo or Brinks truck on short notice."

Another indelible memory of Ron's early banking career involved Anna Ubbink, a legendary figure in the history of the bank. Anna started working with the bank in 1920. By the time Ron joined the team, she was in charge of Operations, heading up Accounting and what was referred to as "the back room." Anna watched over everything. Ron said, "One of the first things she taught me was how to use the adding machine. When the adding machine tape came to an end, I was told not to throw it out. We would reverse and rewind the tape in order to use both sides."

Ron was eager to learn by watching others and then putting these lessons to work by applying them. He grew along with the banking business. As new

STATE BANK TO GIVE \$1000 SCHOLARSHIP ON 50TH ANNIVERSARY

Port — C. Donald Hill, president of the Port Washington State bank, has announced that, in honor of its fiftieth anniversary and in memory of its founder Clarence Hill, the bank will present a \$1,000 scholarship to Port Washington high school. The money is to be awarded at the rate of \$250 to one senior student each year to help pay the expenses of his further education.

The anniversary will fall on Sept. 11 since the bank which was organized in June, 1899 was first opened for business Sept. 11, 1899. The event will be marked by an open house from 9 till 6 on Monday and friends are invited to drop in and sign the the Golden Jubilee register of the bank.

From a small bank with \$25,000 capital in 1899 and deposits totalling \$4,349 at the end of the first day's business, the bank has steadily developed until today it has \$100,000 capital, a surplus of \$200,000 and an undivided profits and reserve account of over \$200,000. Its deposits have risen to well over the five million mark. The bank has never closed and was kept open continually during the 1933 banking crisis.

The original building, erected in 1899, housed the bank until 1921 when the present brick & granite structure was built. The new building was formally opened April 9, 1921.

The State bank's first depositor was the late Theresa Bach and the first checking account was opened by C. O. Larson. The first line of credit was extended to Boerner Bros. Co. and in 1901 the bank declared its first stock dividend.



THE LATE CLARENCE HILL



PRESIDENT C. DONALD HILL

FIRST OFFICERS

The founders of the bank were Clarence Hill and Dr. G. E. Henry, a dentist of Manitowoc. At the first election of officers, Dr. Henry was made president, Clarence Hill cashier and the directors were Hill, Henry and Florence Henry who was replaced by Harry Bolens in 1900.

In 1900 Henry Boerner was elected first vice-president and Henry Adam engaged as bookkeeper. Promoted to assistant cashier in 1910, Henry Adam was made cashier in 1913 which position he held till he resigned in 1921.

George Henry resigned in 1910 and went to California for his health. On his resignation Clarence Hill became president and served in that capacity for 23 years.

Another of the early employees, Norman Henze, came to the bank in 1912, became assistant cashier in 1913 and cashier in 1920.

C. Donald Hill, president of the bank, was hired as teller in 1918 and, following several promotions, was elected president in January 1936 when his father became chairman of the board.

William F. Schanen, Emil P. Biever, Otto Moeser and C. Donald Hill are the present board of directors. The officers are C. Donald Hill, president; Otto E. Moeser, vice-president; Arno Dix, cashier; Anna Ubbink, assistant cashier; and Adolph Ansay, manager at Belgium and assistant cashier. Other employees are Ronald Schowalter, Bernice Antoine, Marion Weter, Helen Skridla, Evelyn Krier and Don Sauer.

OUTSTANDING CITIZEN

Clarence Hill, in whose honor the State bank is donating the scholarship, was one of the city's most outstanding citizens. Born at Rosendale in 1868, he worked at banks in Ripon and Manitowoc before organizing the Port Washington State bank in 1899. He was president of the bank from 1910 till 1936 and chairman of the board from that date



THE STAFF IN 1919

Port — Shown in front of the bank just after the first world war are president Clarence Hill, Miss Schweiger and cashier Henry Adam.



THE BANK AS IT LOOKS TODAY left

Port — This is the Port Washington State bank as it looks today on the occasion of its fiftieth anniversary.

STATE BANK BUILDING IN 1910 right

Port — This is the way the State bank building looked back around 1910, in the "horse and buggy" days. It was built in 1899.

until the time of his death in 1948. In 1937 he was elected president of the Wisconsin Bankers association.

He was survived by his wife, the former Caroline Mendlik of Milwaukee, whom he married in 1896, and one son, C. Donald Hill, the present president of the

bank.

Besides being treasurer of the bond drives in both World wars Clarence Hill was active in Red Cross drives for over 30 years. A charter member and past president of the Port Washington Rotary, he also was one of the nation's most outstanding Masons.

Article announcing a scholarship fund created in memory of founder Clarence Hill, 1949.

innovations came out or new businesses started up, he always considered it fun to be a part of it. He said, "Once I started working for the bank, I never considered anything else. I liked it. It was a small group of six of us and we had one branch in Belgium. I got along well with everybody."

Another lesson that Ron took to heart was Port Washington State Bank's commitment to give back to the community. Like his father, C. Donald excelled at leading the county's war bond initiative locally as the War Bond Drive Chairman. A war bond is a debt

instrument issued by a government as a means of borrowing money to finance its defense and military efforts during times of war. A war bond is essentially a loan to a government.

Don Hill's bond drive initiative was so successful that in 1951, Port Washington was one of the few cities its size in the country to earn the U.S. Treasury Department's Minute Man Flag City Award for outstanding response in a bond drive.

Port Washington State Bank's commitment to the U.S. armed forces did not end with the war. After

Through the scholarship it created in 1945, the bank has contributed over \$400,000 to Port Washington High School graduates. At seventy-five years and counting, it is the longest-running, continuous scholarship at the school.



Anna Ubbink with other bank employees seeking reprieve from the accidental deployment of the tear gas alarm system, 1954.



WWII, C. Donald, along with his father and bank employee Arno Dix played a key role in creating, developing, and activating Port Washington State Bank's initiative to make home construction loans available for returning veterans.

Clarence Hill passed away in 1948, just one year short of working with Port Washington State Bank for fifty years. In 1949, when the bank celebrated its fiftieth anniversary on September 11, Don Hill announced four scholarships of \$250 each in honor of the bank's 50th anniversary and in memory of Clarence. In 2024 dollars, each scholarship would have a value of over \$3,000.

Through this scholarship, the bank has contributed over \$400,000 to Port Washington High School graduates. At seventy-five years and counting, it is the longest-running, continuous scholarship at the school. The bank has extended the scholarship program to include other communities it serves.

While world events brought change to the global landscape, new business challenges emerged within the banking industry. Credit unions and savings & loans formed new competition. This is a trend that would not go away. Between 1950 and 1960, the number of credit unions quadrupled.

The bank's new "modern" façade.

Another change came to the banking industry in the 1950s – Wisconsin bankers began to be viewed as community partners as a result of their increased commitment to volunteering on a local level. This shift boosted the image of bankers around the state. There existed an excellent model for this volunteering initiative – Port Washington State Bank. The Port Washington team made this commitment part of the bank's identity from its founding in 1899 onward. This commitment has been reinforced and strengthened with each succeeding generation.

Under C. Donald's leadership and buoyed by an

excellent team, the bank continued to do well as it did good works in the community. Another Port Washington State Bank template of continuously reinvesting in its people and operations was on display to the public. On its anniversary of September 11, 1957, Don Hill announced that Port Washington State Bank would renovate its facility to make it the most modern bank in the area. A new glass, aluminum, and black granite façade would symbolize this commitment. New walls, floors, and ceilings would be elements of a completely new interior. The new exterior would feature the first drive-up window in the county and a private parking lot for the convenience of the bank's customers.



Employees celebrating the bank's 60th anniversary, 1959.



A special visit from future Governor Warren Knowles in late 1964. (L to R): C. Donald Hill, unknown, Governor Knowles and Ron Schowalter.

Ron Schowalter also embodied this commitment by being one of the founding members and the treasurer of Port Washington's Community Chest. This organization was formed to qualify charitable organizations and distribute funds to them in an organized fashion. The Community Chest was the forerunner to the local United Way.

Ron personified the bank's support to the community in several ways: he served on the County Board for over thirty years, provided leadership for the Annual Fish Day, a tradition for over sixty-five years that has contributed millions of dollars to area service organizations. Ron was influential at the county board level in the marina development in Port Washington, as well.

Port Washington State Bank closed out the decade of the 1950s with an outstanding year in 1959, as deposits surpassed \$8 million. Through a period of vast historical change throughout the United States and the world, the bank remained consistent in building a first-rate team, investing in itself for continual improvement, and in volunteering and donating to the communities it served.

The internal changes were personified in the generational change in leadership and evident in how the bank looked ahead to the future.

Below, Mark (left) and Steve (right) Schowalter keeping themselves entertained in the lobby, 1958.



CHAPTER 5

Dynamic Ascent to a New Level

1961-1999

The city of Port Washington's 125th anniversary parade in 1960. Tom Greisch drove the parade float and was joined by Steve and Mark Schowalter.

1963 was a record year in the sixty-five-year history of the bank.

Deposits increased greatly and loan volume was at a record high. There had been significant reinvestment to improve efficiency with new electronic bookkeeping equipment. Port Washington State Bank was humming.

Ron Schowalter was progressing in achievement at the bank and

respect in the community. He said, "The way Bette's father (C. Donald Hill) accepted me into the bank helped get Bette and me included in local social and civic affairs. We got to know the older generation, and then their children very well. Being familiar with all the different age levels was a really good opportunity."

It felt like Port Washington State Bank's roll would continue through the mid-to-late 1960s. Everything was going smoothly until October of 1964, when C. Donald Hill passed away unexpectedly at the age of sixty-six. The bank was facing a new test of transition to the next generation of leadership.

PWSB-branded rocket and moon mechanical coin bank from late 1960s.



Ron Schowalter had been forged by hands-on experience and years of support and mentorship by established team members. When he was elected President at the bank's first regularly scheduled board meeting after C. Donald's death, he was ready for the challenges ahead. Ron had joined the bank in 1949 as an assistant cashier, advanced to Vice President and Director in 1956, and eventually served as President and CEO of the bank.

Ron did more than maintain the existing standard – he established a style of leadership that served the next generation well. When he started with the bank, assets were at just under \$5 million with just two locations. Through the next thirty-eight years, Ron grew the corporation to nearly \$100 million in assets at the time of his retirement from active employment in 1990.

How was this accomplished? Ron would be the first person to tell you he did not do it by himself. He said, "We had good help. When I hired Frank Metz, we were doing business on a cash basis. The first thing I had him do was get us into an accrual accounting system. He was a certified public accountant and was a former senior executive officer at Simplicity Mfg. Co., one of Port Washington's largest employers. The need to modernize and adapt the bank's accounting standards was a sure sign of growth.

Ron and the succeeding generations of Port Washington State Bank's leadership have also had the ability that was first noticed in Clarence Hill – the capacity to build their team around people of promise. Ron attributed much of the bank's success to the team. It remains a point of difference from the mega-banks. He said, "Long-term employees are responsible for what we are today. Friendly customer service is the one thing the big banks can't sell."

Ron's son Mark spoke on the longevity of key employees, "We've had so many employees that have been with us thirty or

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DIRECTORS OF THE PORT Washington State bank elected Ronald J. Schowalter as president of the organization Monday night, Nov. 9, at their regular monthly meeting. Mr. Schowalter succeeds the late C. Donald Hill.
Photo by Vern Arendt

Ronald Schowalter Is New Bank President



Ron Schowalter (left) and Tom Greisch (right) bringing branch banking to Saukville, 1967.

forty-plus years. We had a good time working together. They knew our customers and saw the value of community banking. This longevity and stability have been a big part of our success over the years.”

Rose Oswald Poels, Executive Director of the Wisconsin Bankers Association (WBA), provided an outside perspective, “They have a lot of tenure on their staff, which speaks to how positive the working environment is there. That says a lot about the bank and their board of directors. They make it a good place for people to want to work and stay for their whole careers.”

Early on in his tenure as President, Ron found himself in the middle of an issue that would literally shape the future development of the harbor in Port Washington. Under his

leadership, the bank helped the city acquire what was called the Mold-Craft peninsula on the Lakefront. Port Washington State Bank and Cedarburg State Bank held the loan on the property which went into foreclosure after a 1966 fire. The bank had higher offers from a buyer wanting to develop the property, but Ron was aware of the city's interest and accepted its offer.

This decisive action made the ensuing harbor development that took place possible. Without Ron's efforts, it may never have happened. The eventual success of the harbor quelled the public's concerns over its costs and ended up being an iconic and profitable contribution to the city.

The peninsula figured importantly



Steve Schowalter, 1968.



Mark Schowalter, 1970.

into the city's marina/small boat harbor plans and how it developed in later years. Foregoing a profit and looking at the greater good seemed like the right thing to do. It was a classic example of what it means to be a community bank.

Growth started to extend to other communities. In 1967, Port Washington State Bank opened its third branch in the history of the bank in Saukville, a neighboring community of Port Washington. While the bank continued to grow, it did so strategically within Ozaukee County.

WBA President Rose Oswald Poels noted, "PWSB has done a nice job and has grown. They've opened new offices in adjoining markets. They're clearly staying true to their strengths – they haven't opened an office in Milwaukee

or Green Bay. They are that solid, community-focused, mission-focused bank. Continuing to do that will keep them strong well into the future."

Ron's oldest son, Steve, graduated with a degree in Finance from Marquette University in 1972 and started working full-time for the bank. Steve does not remember being particularly encouraged to work in the family bank. In high school, he worked at the bank for a summer job. Steve said, "At the end of high school and college, I had already invested some time here, so I decided to continue with the bank."

1972 also marked a new era for Port Washington State Bank as it became one of the first community banks to offer



PWSB employees during the bank's 75th anniversary celebration.



a full range of trust services. Frank Metz was the bank's first Trust Officer and was instrumental in bringing this service to the bank's customers.

Steve's younger brother Mark joined the bank after graduating from UWM with a degree in Business Administration in 1974 and furthering his education at the Graduate School of Banking at UW-Madison. Throughout high school, both Steve and Mark worked holiday breaks and summers at the bank.

Mark, who recently retired as EVP/COO, agreed with Steve about not being pressured into working in the bank. He said, "There was never any pressure on us to join the family business. The opportunity was always there. We just showed up the day after graduation and nobody told us to go home. And we're still here."

Their father Ron said, "I didn't want them to feel like they had to join the bank, but I was very pleased when they both took an interest and saw the opportunity."

Steve and Mark's younger sister, Sally, also does not remember any overt recruiting or being pushed by her parents to work at the bank. Originally, Sally worked at Heritage Bank in Milwaukee, which was bought out by what was then M&I Bank. She said, "I worked for other banks for quite a few years, and I came back when I had Matt, my first child. It was nice to go somewhere else because I think you need that... you need to know what it's like somewhere else. You think the grass is always greener, but it's not always. It was good to have outside experience."



Sally in high school, 1980.

As the Schowalters grew up with the bank, so did a number of the bank's team of employees. The support staff wore many hats at the time, from calculating loan interest, typing loan documents on carbon paper forms, posting loan payments and balancing loan ledger accounts. Multitasking was the norm and expected.

One of those support staff members was Annie Noster.

Ron from inside a phone booth on its first day in operation outside the Saukville branch in 1967.



The original Saukville branch, 1960s.

Annie started as a bookkeeper, became a teller, and then moved up to manager of customer service and the front line. She grew in responsibility as the bank grew, eventually becoming a vice president and manager of the Belgium branch. Annie said, "I learned so much over the years. Port Washington State Bank is great at providing ongoing education." Annie worked with Port Washington State Bank for forty-three years before retiring.

Melanie (Mel) Spencer worked with Port Washington State Bank for forty years. She said, "I began working with the bank on the loan side. I was a support staff member. I worked directly with Steve (Schowalter), who was primarily a lender at the time. Mark was in operations and deposits, and Steve's dad, Ron, was the president."

Growth of key employees was made possible by the Schowalters' willingness to listen to their people, and then put them into positions where they could blossom. Mel Spencer said, "They listened when I suggested a few things that maybe I could help with, and I could grow at the same



View into the Port Washington lobby from Franklin Street, 1960s.



time. That opened the door to becoming a lender. They were receptive to it – all the way.”

In addition to fostering growth for all employees, Port Washington State Bank provided a positive and welcoming environment for women in the workplace, which was uncommon at the time. An early example is Anna Ubbink, who started at the bank in 1921 as a teller and Clarence Hill’s secretary. She worked her way up in the bank’s hierarchy, retiring in 1971 as vice president/cashier after fifty years with the bank. After she retired, she continued to serve on the board of directors until her death in 1990, where she was considered a valuable and sometimes outspoken member.

Mel Spencer said of Ms. Ubbink, “Anna was *the boss*, and she ran the operations side. They were open to all of that back then. She had high standards and was well-respected at a time when a woman was rarely a manager in the workplace. At the bank, the opportunities for women are evident. We currently have two women on our senior management team, which speaks volumes about the bank’s culture.”

Ms. Ubbink was not a singular case, either. Ms. Spencer added, “From a woman’s perspective – there was no discrimination. I never felt like an outsider. In fact, when I joined the bank, the person who hired me was a woman – Shirley

Martens. This was during the early 1970s, which impressed me. She was a mentor.”

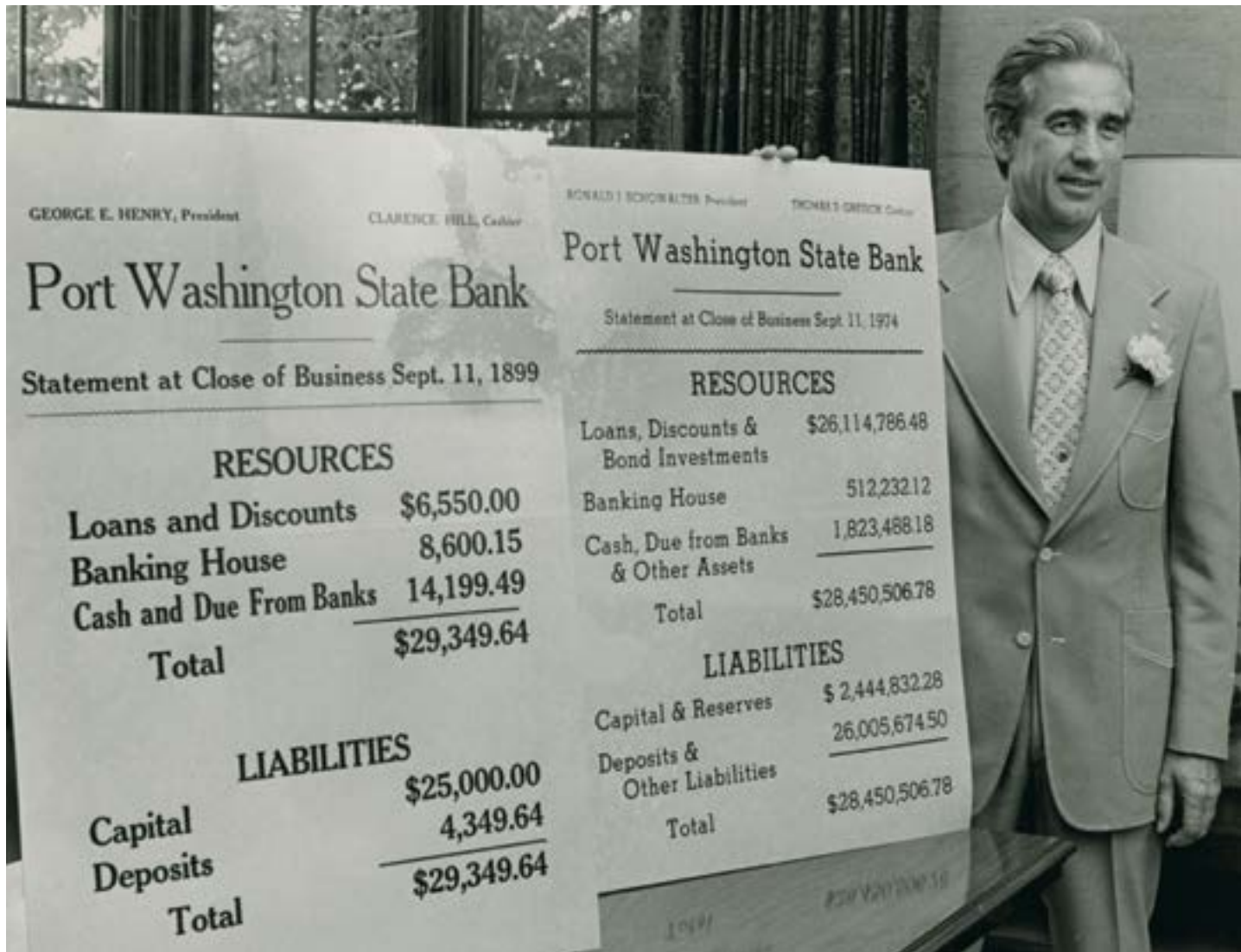
Cindy Nierode, Senior Vice President/CFO at the bank, echoed Mel Spencer’s sentiment about equality, “As a woman, I never felt that I wasn’t treated fairly. I was given everything I needed to grow. I would present why we needed something, and they were very open to it.”

The bank’s commitment to supporting its employees included ongoing training and education. Spencer said, “Anything I raised my hand for, they were willing to teach me. The banking industry has some great education and wonderful resources if you want to take advantage of them and I did. I was fortunate Port Washington State Bank supported me.”

The focus on training has been a major contributing factor in the retention of so many valuable employees. In the 1980s, the bank started recognizing employees for their tenure at the bank. This is done annually and begins with staff celebrating five years or more with the bank. In addition, the WBA also recognizes thirty years or more of bank industry years of service. Many PWSB employees have earned this honor.

Of her time as a





Ron demonstrating the growth of the company over 75 years, 1974.

lender, Ms. Spencer said, “I loved helping people – all the different components. Figuring out what makes sense for this person. How can we really help them? What loan structure makes sense? I was there for forty years. I can’t say enough about what a great ride it was for me. So many people don’t know what they want to do or are unhappy with their work. I never felt that way. I was very lucky. The owners gave me a chance, and I’m grateful for that.”

“The bank supported my involvement with the WBA. Sometimes, I’d be gone a week to learn or train others, and they always supported it. Not all banks are like that, and it’s a challenge for the people who work at those banks. They miss out on networking and learning opportunities that benefit the bank.”

Cindy Nierode also feels that time has flown during this period of growth. She said, “I have been working for forty years with PWSB. It doesn’t seem like it, though. It has really gone fast.”

Mentoring and helping people grow has always been a focus at the bank. Nierode said, “I came into the organization at a good time. I worked for Frank Metz – the CFO at the time. His retirement path was



The Port Washington office on Franklin Street, 1972.

PWSB sponsored many local recreation teams over the years. At right are the bowling champions from 1972 with their trophies. Pictured with the team is sponsor Ron Schowalter.



just the perfect opportunity for me to grow and to help the bank grow.”

Joel Dykstra, Senior Vice President/Chief Credit Officer, started his career at PWSB in 2008. He came to Port Washington State Bank when the competing local community bank where he worked sold out to a mega-bank. When that happened, everything changed. He went to a week of training for the new ownership, and everything was so drastically different from what he had been doing. Joel immediately knew that he was in the wrong place for him. He is a self-described “community bank guy.” He started his banking career as a personal banker before becoming a mortgage lender.

Port Washington State Bank had just started its new branch in Cedarburg and needed a

mortgage lender. He met with James Schowalter, who was heading up the Cedarburg office, and was hired within two weeks. The timing was perfect for both sides. With Joel on board, James could focus on building the branch and becoming ingrained in the community.

In 2010, James’s role at the bank changed and he moved to PWSB’s headquarters in Port Washington. James took Joel with him. Steve and James Schowalter then approached Joel about becoming a commercial lender. Joel didn’t know how he felt about this as he really liked what he had currently been doing. However, he immediately loved commercial lending even more than mortgage banking because he loves the relationship building. As he looks back, that was the best thing that could happen to him.

“They are that solid, community-focused, mission-focused bank. Continuing to do that will keep them strong well into the future.”

– Rose Oswald Poels,
WBA President/CEO

Joel was a commercial lender from that day until 2017, when he became the senior commercial lender. In 2020, he became chief credit officer. He is now on the senior management team and feels valued. He could not be happier.

Port Washington State Bank has a history of providing an opportunity to learn and grow, whether someone started their career at the bank like Annie Noster, Melanie Spencer, and Cindy Nierode, or if someone transitioned to the team well into their career like Joel Dykstra.

The Schowalter work ethic is highly regarded by their team. Annie Noster said, "It was easy working for a family that was hands on. They were there on most Saturdays. They were there on Friday nights when we were open until 8 pm. If you drove around the block of the bank on a Sunday, many times their cars were parked in their spots, and they were hard at work inside."

When the bank's hours expanded, so did the Schowalters'. Annie Noster said, "When we started opening on Saturdays, it was only for three hours. I always felt it was important to work with your

Steve, Mark and Sally at a company event, 1990s.



Employees of Port Washington State Bank posed for a photo in honor of the bank's 100th anniversary. Front row: Cindy Nierode, Jean McDonald, Ann Noster, Vicki Czisny, Sharon Klippel, and Jamie Ronn. Second row: Frank Metz, Kathy Weiland, Peggy Nierode, Kathy Kaeding, Terri Morauski, Mary Flynn, Sue Yass, Barb Bartelt and Judi Dougherty. Third row: Steven Schowalter, Mary Sue Bolz, Bev Mueller, Sandy Rappold, Sherri Miller, Donna Lubnow, Cindy Hiller, Amy Greisch and Mark Schowalter. Fourth row: Tom Greisch, Sue Hespe, Carole Husting, Angie Wuestenhagen, Jenny Scudder, Sally Savatski, Marie Prom, Denny Heiss, and Jim Burezyk. Fifth row: Mike Thill, Catherine Pujanauski, Cindy Kimball, Sue Adams, Chris Gregozeski, Lina Vorpahl, Vicki Fowler, Karen Larsen, Gene Shaver and Don Sauer. Not pictured are Trent Burmesch, Amy Dudash, Vickie Egerer, Mary Ewig, Cara Fultz, Jan Hillenbrand, Kristina Holloway, Katherine Kelm, Sandra Maxwell, Rhondella Morgan, David Mulder, Ron Prom, Lori Schmit, Heather Schoonover, Robert Schowalter, Jay Schreurs, Melanie Spencer, Heather Wiegert, Traci Wolf, Shelly Yass and Ronald Schowalter.



Ron Schowalter (left) and Steve Schowalter when he becomes president in 1989.

struggling and say, 'You need to talk to us. We want to protect you.' When the CEO calls you, it makes a difference."

The Schowalters are far different than upper-level executives and owners who insulate themselves from their customers and employees. They make themselves available. Mark Schowalter strategically situated his office for easy access. He explained why, "That's always what I've enjoyed most about it. My office was on the first floor, right outside the teller window. Our doors are always open, so people would come in and sit down and chat."

Being present and personable has always been good business for PWSB. It comes back to balance. Mark explained that his brother and his nephew share this sentiment, "We need to grow, but the bigger you get, you fear you may lose some of that personal touch. You can come to the bank on any given day and talk with James, our president, or my brother Steve, the CEO. That's always been one of our bigger strengths - we're present - at the bank and in the communities."

In an environment of balancing risk and learning to work with different personality types both internally and externally, keeping an even keel is critical. Every loan decision requires learning as much as possible about the individuals involved, their financial situation, and keeping abreast of laws and regulations.

team, to take your turn as manager. Mark Schowalter would work every Saturday. Steve would come in as well."

Mel Spencer agreed, "You never felt or heard them say, 'Hey, I'm the boss. I own this place.' They work side by side with you. The Schowalters show up and roll up their sleeves."

In addition to their work ethic, they are approachable and inclusive. Cindy Nierode observed, "They're very down to earth and humble. The Schowalters value my input, what I do, and what my recommendations are."

Banking gets an unfair reputation as being a profession of cold-hearted bean counters. That's not what is found at Port Washington State Bank. Steve Schowalter sets the tone. He gets involved with customers who need help. Mel Spencer related, "It's not unusual for Steve to get on the phone with a customer who may be



Mark Schowalter holding newborn son Jacob Schowalter at his desk in Port Washington, 1993.

Yet in the end, every decision comes down to risk. Balancing cold, hard facts with emotional human beings requires a steadiness. This is another trait that runs consistently through Port Washington State Bank's history. Mark Schowalter knows where he and his brother Steve got this. He said, "My brother and I get our temperament from our dad. He was a very even-tempered, even keeled, laid-back kind of a guy. Not too high and not too low. He thinks about things before he says something. He certainly cares about other people. I think we all inherited that, and James as well. That's really a necessary trait in order to have a successful community bank. It's how you interact

Growth of key employees was made possible by the Schowalters' willingness to listen to their people, and then put them into positions where they could blossom.

with everybody. I trace that to him."

Another factor that has mirrored the bank's growth has been increasing regulations. Banking is an industry where the imprudent actions of a few affect the entire industry. With increasing regulations comes the need for specialized skill

sets. This is far different from when Steve and Mark joined the bank. As Steve explained, "As regulations evolved, things were layered in. Who gets to do this? 'Mark will do it,' or 'Steve will do it.' Today, at our size, we have to hire somebody specific to something because it's a big deal. It can't be just a little piece of a job – it's a whole job. That's a big difference."

In 1989, Steve Schowalter became the fourth generation of the family to become president of Port Washington State Bank. Two years later he assumed the position of President and CEO, which allowed Ron to step back from day-to-day responsibilities and serve the bank and the bank's holding company as Chairman of the Board.

The internal growth of its people and assets was now happening externally as well. The bank purchased a former Valley Bank in nearby Fredonia in 1994, its first market expansion since Saukville twenty-three years earlier.

When Ron started with the bank, it had ten employees and



FINANCIAL BEACON

Vol. 1, No. 1

PORT WASHINGTON STATE BANK

Inaugural Issue FALL 1986

Bank Starts New Publication

This is the inaugural issue of the "Financial Beacon," a quarterly publication for the customers and friends of the Port Washington State Bank.

In it you will find short pieces about this bank and its services. You also will find articles dealing with personal finances. There will be at least one article about a business in this community and how it helps contribute to the economy of the Port Washington area.

The Port Washington State Bank began its 87th year of service to this area this month—September 11th.

The bank was started in 1899 and is one of the oldest businesses here.

The bank's founders, Clarence Hill and Dr. George E. Henry, a Manitowoc dentist and first president of the bank, were not deterred by adversity. Just before the bank was to be opened, with starting capital of \$25,000, one of the city's major industries, the Wisconsin Chair Co., was destroyed by fire. But, the bank was opened on schedule.

Dr. Henry resigned in 1910 for health reasons. Mr. Hill then became president and held that office until 1936 when he was named chairman of the board. He served as chairman until his death in 1948. Clarence Hill was succeeded as president in 1936 by his son, C. Donald Hill, who held that office until his death in 1964.

The Schowalter family became a part of the bank in 1949 when Ronald J. Schowalter, current president, joined the bank staff. He has been president since 1964. His sons, Steven and Mark, are vice president and cashier.



(Left to right) Mark Schowalter, cashier, Steven Schowalter, vice president, Ronald Schowalter, bank president.

Its assets are \$70.8 million, reflecting a 120 percent growth in the past decade. The bank has 50 employees.

Some 80 percent of the businesses in its service area are customers of the main office in Port Washington or its branches in Beloit and Fredonia.



From (L to R): Steve Schowalter, Ron Schowalter, Mark Schowalter, Tom Greisch and Frank Metz, the board of directors, standing next to the dedication plaque for the PWSB Centennial Pavilion, 1999.

assets of \$5 million. In its centennial year of 1999, the bank had four locations, eighty-five employees and \$190 million in assets. Ron was an integral part of the growth of the bank.

Recently, Ron was the only person ever to be recognized by the WBA for his seventy-five years in banking. He said, "I like the banking business. I grew up with it. I retired from it. But I still like to live with it. The biggest part of it is the friends you can make and keep, the people you can help. Our loans helped put a lot of people to work."

During Ron's decades-long career PWSB donated tens of thousands of dollars each year along with his encouragement of staff volunteer hours to dozens of charitable endeavors throughout Ozaukee County. In addition, his stewardship of the bank's lending efforts was instrumental in helping

fund the economic growth of the county including many aspects of its infrastructure such as the harbor project in Port Washington.

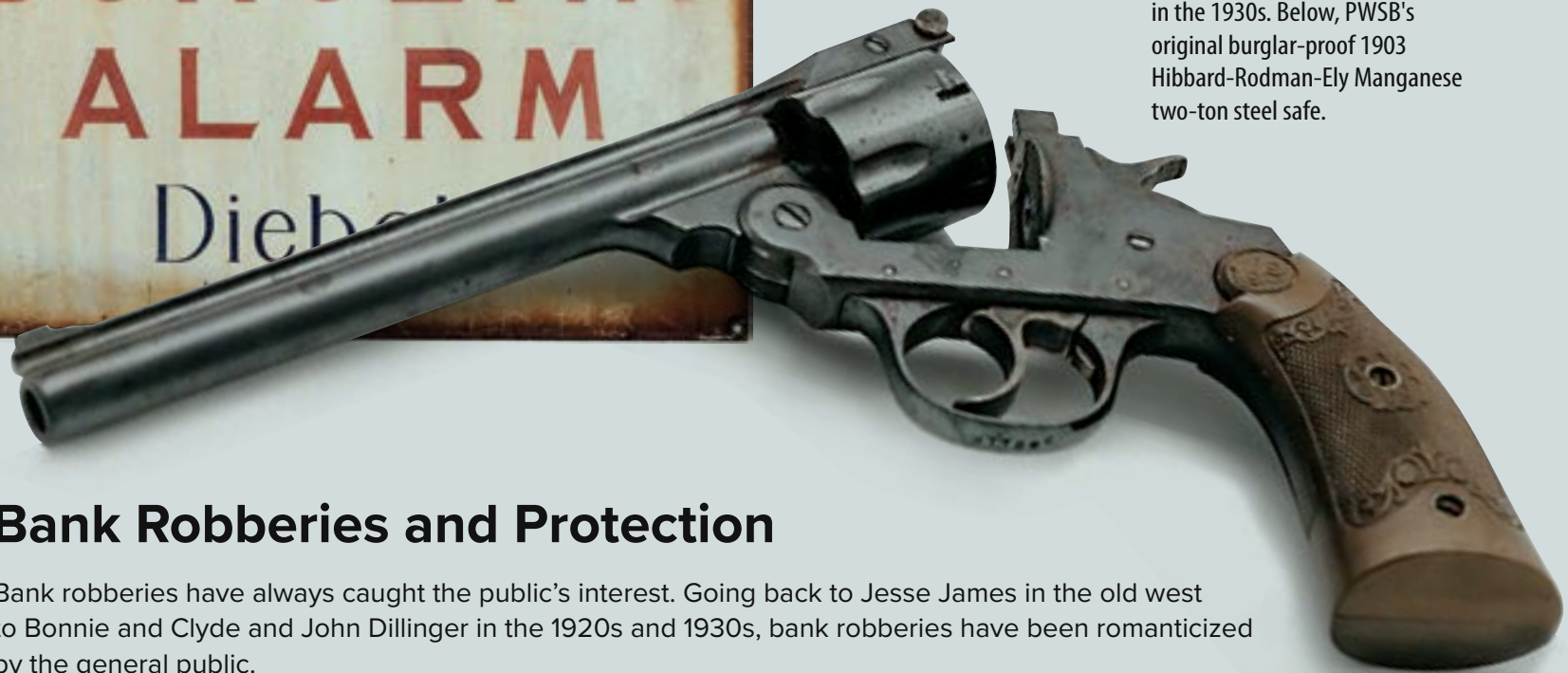
In addition to his professional accomplishments, Ron managed to volunteer his time, energy, and passion for the community in many different capacities. Ron served as a seventy-year member and Past President of the Port Washington/Saukville Rotary Club, has been a member of St. John XXIII (formerly St. Mary's) congregation for seventy years, and was an Ozaukee County board supervisor for three decades.

For many years, in many ways, Ron Schowalter embodied dynamic, positive change for Port Washington State Bank, Ozaukee County, and the people who live there.



Exterior sign issuing warning to burglars that the bank was alarmed.

Tellers had this .32 caliber Iver Johnson pistol for protection in the 1930s. Below, PWSB's original burglar-proof 1903 Hibbard-Rodman-Ely Manganese two-ton steel safe.



Bank Robberies and Protection

Bank robberies have always caught the public's interest. Going back to Jesse James in the old west to Bonnie and Clyde and John Dillinger in the 1920s and 1930s, bank robberies have been romanticized by the general public.

If you worked for a bank, the prospect of getting held up at gunpoint was anything but romantic.

In its 125-year history, Port Washington State Bank has been robbed six times. In all cases, no one was hurt and most of the money was recovered or covered by insurance. Some holdups were single robbers, some had a partner. Some had a gun presented and some had a gun implied. Some had a note passed to the teller and others let their weapon make their intentions known.

One of the bank's first investments in security was the 1903 purchase of a Hibbard-Rodman-Ely Manganese Steel Burglar-Proof-Safe. Weighing two tons, it was said to be impervious to tools and explosives.

In 1907, the bank installed the latest Automatic Double Electrical Burglar Alarm, which would sound a bell loudly outside of the bank when engaged.

The 1930s were the apex of armed bank robberies. To counteract this, PWSB made large investments in physical security. The bank lobby in Port Washington had a teller cage sheeted with bullet proof glass and steel. Windows in the cage were paneled with alternate strips of bulletproof glass and steel. Turn-table trays were installed to pass transactions. Across the top of the teller cage, wires carrying a strong



electrical current were strung which would incapacitate would-be robbers if touched. Spikes were also in place across the top of the teller cage (as seen in photo on page 13).

The bank had earlier installed a tear gas protection system that when activated would temporarily incapacitate would-be robbers (and anyone in the bank!). The bank also had several handguns such as .32 caliber Iver Johnsons and .32 caliber Colt automatics as well as a Winchester Model 97 "sawed-off" shotgun. Gun ports were also part of the teller cage.

The story is that Donald Hill would take tellers out to the city dump for target practice. None of these weapons were ever fired at the bank. With the advent of robbery insurance, better alarm systems, and other deterrents, most of the weapons were gone from the bank by the 1950s.

In 1954 the tear gas system short-circuited, spraying gas, driving employees, customers, and upstairs tenants from the building. The gas system was discontinued shortly thereafter.

From the 1960s on, camera and alarm systems had come a long way as well as robbery training for employees. Robberies still occur.

Today's bank robber is more likely armed with a keyboard in another state or country trying to defeat the bank's cyber-systems, networks, and websites. Cyberattacks are more commonly directed at customers. Deterrents have evolved into good cybersecurity monitoring and partners to help identify and stop attacks.

Old fashioned robberies will still occur, and the bank continues to train and prepare for that. All banks are now prepared for physical and cyberattacks.



Adolph Ansay, a cashier at Belgium, recreating his pose during a robbery that took place August 3, 1936.



A sign from 1948 posted in bank lobbies offering a \$1,000 cash reward for the "capture dead or alive of any person(s) in the act of robbing or burglarizing the bank."

A brief history of bank robberies at Port Washington State Bank:

August 3rd, 1936 - Three robbers dressed as farmers wielding guns rob the Belgium branch of \$1,000.00. One of the robbers, George Slade, is captured a few months later in Chicago and later sentenced to prison.

April 5, 1972 - One lone robber held up the Saukville branch on the triangle. A gun was used and \$2,000.00 in cash taken. He was caught less than an hour later with the money and weapon recovered. Robber Clarence Forbes was later sentenced to 12 years in prison.

June 22, 1979 - Three men hold up the Saukville branch on the triangle. A gun was used and employees were handcuffed. \$16,917 was taken. Robbers Dorvan Bontrager and Michael Lee Turner are captured and sentenced to 5 and 21 years respectively for their part in the robbery. A third robber remained at large.

December 15, 2003 - A local teen brandishing a rifle and handgun held up the Fredonia branch. \$7,813 was taken. The robber was caught the same day and money was recovered. He was later sentenced to prison.

November 26, 2005 - A note was passed to a teller at the bank's former Pick N Save Office in Saukville implying that he had a weapon. \$3,600 was taken. Robber Gerald Mayek was later caught and sentenced to prison for this and other bank robberies.



An actual capture of the robbery that took place June 22, 1979 at the Saukville branch on the triangle.



December 16, 2024 - A 20-year-old man jumped the customer service counter at the Cedarburg branch to grab cash from a teller drawer. \$3,236 was taken. The robber was caught two days later and is awaiting sentencing as of this writing.

Again, many more crimes are committed against banks than in-person withdrawals. Bank robberies are more sensational and dangerous, so they catch the public's eye and interest of the press. The big takeaway is that no one was hurt and most of the robbers were caught and sentenced for their crimes.

A harrowing experience for employees and customers caught in a robbery and a story to tell their grandkids.

An interesting part of our business and history.

CHAPTER 6

New Leadership for a New Era

1999 - 2024

Three generations of Schowalters
taken at the Port Exploreum in 2015.
From left: Steve, Mark, James and Ron.



Port Washington State Bank celebrated its centennial in 1999.

After leading the bank through decades of strong financial performance and generous corporate citizenship, Ron Schowalter had turned over day-to-day management of the bank to his older son Steve in 1989. Steve, along with his brother Mark, were now in the midst of providing their own steady leadership through the next chapter for the bank.

The new era provided new challenges almost immediately. Y2K, tech shorthand for the Year 2000, was an immediate threat to networks, hardware, and software around the world. According to Brittanica.com: Until the 1990s many computer programs (especially

those written in the early days of computers) were designed to abbreviate four-digit years as two digits in order to save memory space. These computers could recognize “98” as “1998” but would be unable to recognize “00” as “2000,” perhaps interpreting it to mean 1900. Many feared that when the clocks struck midnight on January 1, 2000, many affected computers would be using an incorrect date and thus fail to operate properly unless the computers’ software was repaired or replaced before that date.

The fear was that the Y2K bug would lead to errors in computer systems in critical industries including banking, which in turn would wreak havoc with financial information. Many Americans were concerned about their bank accounts. Cindy Nierode was responsible for heading up the bank’s IT department and in 1999 the bank hired

James preparing a van for sale at EVS, late 1990s.



a dedicated IT officer for Y2K to help PWSB focus on this important change ahead.

The threat to the infrastructure of industries such as banking and power plants was real - the U.S. government passed the Year 2000 Information and Readiness Disclosure Act to prepare for the event and formed a President's Council to oversee private companies and ensure that their systems were prepared for the event.

The preparation for Y2K paid off as no real problems emerged once the clock struck midnight on January 1, 2000. Port Washington State Bank, ever vigilant for its customers, stood ready. Cindy Nierode said, "We were here on New Year's Eve, just in case."

More tangible change came a bit further into the first decade of the 2000s, when James Schowalter, representing the family's fifth generation, started with the bank on a full-time basis in 2007. Like his father Steve, Aunt Sally, and Uncle Mark, James did not feel pressured into working with the bank. James said, "I always was enamored of Grandpa and Dad, but I never felt pressured or thought that I had to be a banker."

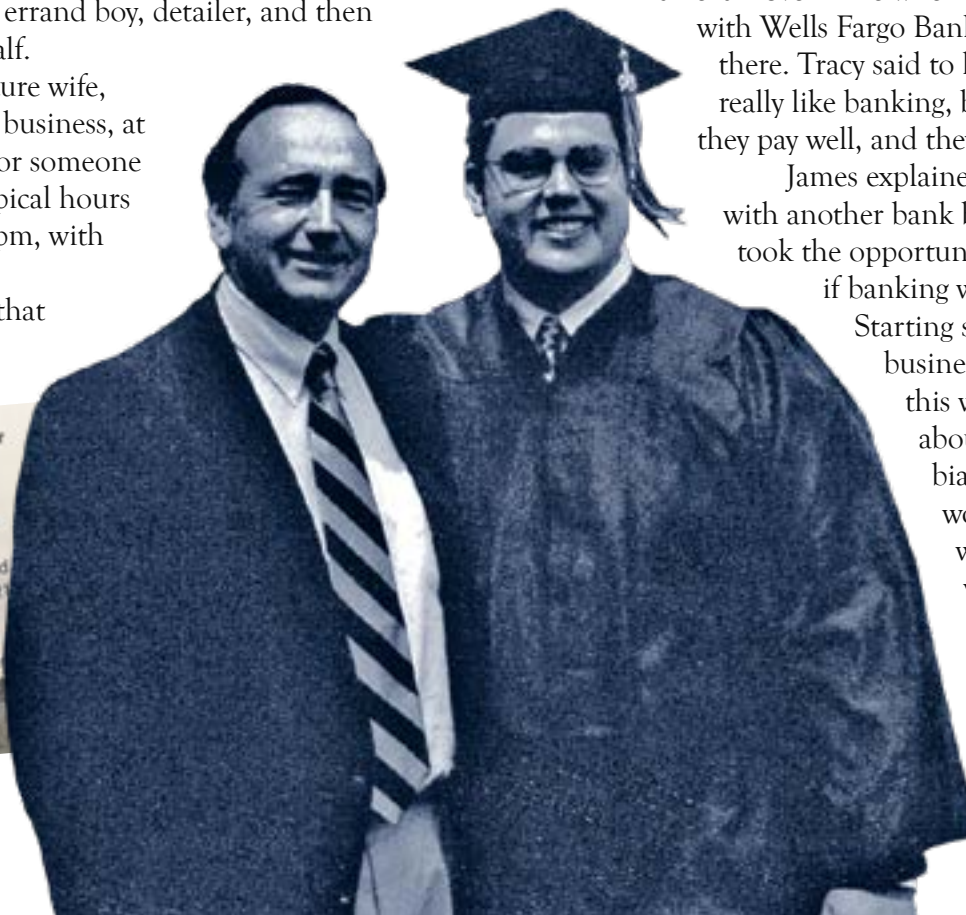
In fact, James's first love was cars. He had worked for a local car dealer, the Von Schledorn family, for five years. His job included many duties - he was a lot attendant, errand boy, detailer, and then he was in car sales for a year and a half.

Around that time, he met his future wife, Jennifer, and he realized that the car business, at the time, was a tough career choice for someone who wanted to raise a family. The typical hours at a dealership were from 9 am to 9 pm, with some weekends.

By the same token, James noted that his grandpa and his dad were always present in his life.



James' Wells Fargo business card.



James with father Steve Schowalter on his high school graduation day, 1999.

They were there for their families, and banking afforded that lifestyle and that flexibility. There were times when duty called, but in general, a banking career complemented a family lifestyle. With Jennifer in his life, work-life balance became more important to James, who said, "It was what we wanted for ourselves, and what she had experienced in her life."

After James earned his degree from Marquette in Mass Communications, Public Relations and Marketing, he was pondering his next move in life when his older sister Tracy, who was with Wells Fargo Bank, recommended that he apply there. Tracy said to him, "Hey, I know you don't really like banking, but they have a great program, they pay well, and they have great benefits."

James explained why he would take a job with another bank besides PWSB. He said, "I took the opportunity at Wells Fargo not knowing if banking was going to be in my future.

Starting somewhere outside of the family business would help me determine if this was a path I would be passionate about pursuing without the implied bias that would come from working alongside loved ones. It would also provide an objective viewpoint of the industry and the job I was assigned."

ROTARY



100th Anniversary Celebration Saturday Sept. 11, 1999

Community Picnic Rotary Park Port Washington 10:00am - 4:00pm



Bette, Ron and Mark Schowalter

Below, an aerial shot on the day of the centennial celebration, showcasing the new pavilion which the bank donated in honor of its anniversary.



Jim Burczyk (left) and James Schowalter inside the open house where items from the historical archives were displayed for the public's view.

He liked the idea of getting out of college and receiving two and a half weeks of vacation and a decent wage. He said, "They trained the heck out of me. They sent me to Iowa, to Phoenix, and to Minnesota. They sent me to multiple different schools, I toured mortgage lending facilities, and I just really got immersed in that."

Life was good. James said, "I liked coming out of Marquette, getting married to Jennifer, we liked our life and not being in the vortex of the family business at that time. We had a nice home, and we were enjoying life."

As it so often does, life began to change. James realized he was getting alienated at Wells Fargo because of who he was. Customers were looking at his nameplate and asking him, "Are you the Port Washington State Bank Schowalter?"

James worked for Wells Fargo in Shorewood, spent some time at the main office in downtown Milwaukee, and then worked in Mequon in Ozaukee County, where Port

Washington State Bank was located. As he was starting to get more questions about his connections to PWSB, he wasn't being considered for promotions and opportunities because there was an assumption that he wasn't going to stay with Wells Fargo. When a coworker confirmed this was true, James knew it was time to make his move.

The timing was fortuitous, as his father Steve was leading the bank into a new office in Cedarburg. Steve felt the best way to be successful in Cedarburg was to have an owner in that office to get ingrained into such a tight-knit community.

Luck, which can never be discounted, was also on PWSB's



James's was promoted to President/COO in 2020.

James's arrival was another significant moment for the bank. He led the charge to modernize the sales culture of the bank.

side. The firmly entrenched Ozaukee Bank wanted to sell, and Grafton State Bank, the other local banking alternative in the market, had already sold out to BMO Harris Bank.

In addition, James said, "We were getting a great staff and a building we could do something with. We got lucky that Ozaukee Bank wanted to sell, and that Grafton State Bank was out. We were in the right place at the right time to get opportunities in that market that we normally would have had to claw to get at that time. That was really how I got here. The stars aligned." James had been with Wells Fargo for five years, during which time he gained valuable experience and an outside perspective.

James's arrival was another significant moment for the bank. He led the charge to modernize the sales culture of the bank. He said of the time he joined the team, "We weren't going to survive if we didn't grow." They had \$300 million in assets at that time. James said, "We had to evolve."

He brought a different mindset in terms of marketing, which helped to elevate PWSB's profile as a bank you would consider as a business owner seeking a business loan.

Steve Schowalter noted how the financial marketplace had changed, "When I started, business came to you. You didn't go after business. We did a lot more outreach after James came because he had different training and background. We were order takers as bankers. When someone came in and said, 'I need this.' You didn't ask them, 'What else do you need?' We would say, 'We can take care of that for you.' You didn't typically ask them what else you could do for them because then you're getting nosy. Nowadays, customers appreciate the



James with wife Jennifer and sons Jack and Steven, November 2023.

effort to look at their broader financial situation and improve upon it.”

Mark Schowalter said, “I would put James in the same category as Steve. They both know the business. I certainly enjoyed what I did here and what I was able to accomplish, but those two are bankers 24/7. I think you can see that by what they’ve accomplished. I’ve always had a lot of pride in both of them and what they do and how they do it, and I appreciate my own spot in the history here as well.”

Since James has joined the bank, the growth has continued. The strategic plan involved branching, more advertising, and outreach to include first-time homebuyer seminars and financial education in the area’s schools, to name a few of the initiatives. James, who became Senior Vice President and Chief Credit Officer in 2014, said, “Today, PWSB competes as a premier financial institution in southeastern Wisconsin.”

Loan requests kept increasing in size. With business banking, growth spurs more growth. That has become another focus. Through five generations and counting, Port Washington State Bank has never taken its collective eyes off the ball. They remain dedicated to the strong focus that started it all – small business lending. Founder Clarence Hill’s focus on small business lending opportunities in Ozaukee County in the early 20th century has remained consistent to this day.

So, too, have the Schowalters and their team of dedicated employees. In 2016, when Ron transitioned off the bank board, Steve assumed the Chairman position. Mark, who was Executive Vice President/COO until he retired from day-to-day duties in



2019, retained his ongoing role as a director of the bank and its holding company. Ron was Chairman Emeritus of the board until his death. When he retired from the board after holding the position of a director and

later chairman for sixty years, he said, "Our bank remains in wonderful hands, and I look forward to enjoying the continuing success under Steve and Mark's leadership."

As SVP/Chief Credit Officer Joel Dykstra put it, "The Schowalters are distinctly different, but the way they care about people and treat people is ultimately the same. That's their greatest attribute. You can't talk about Port Washington State Bank without talking about the family." The Schowalters would not have it any other way.

125 Years of Bank Technology

When the bank opened its doors in 1899, technology of the day consisted of typewriters, calculators, check protectors, and bookkeeping machines that were mechanical in nature. Ledger entries and other bank records were handwritten. Check clearing was a time consuming process. This way of working continued into the 1960s. Banking technology has changed dramatically in the past 70-plus years.

These changes include:

1950 Introduction of the Credit Card – Diners Club introduced the first universal credit card that could be used at numerous member establishments. The customer had freedom to draw on a line of credit and not have the need to carry a lot of cash.

1967 The first ATM – Installed in a UK London suburb by Barclays Bank.

1973 File Transfer Protocol – FTP created a vision of how computers could be networked together. This marked the beginning of the Automated Clearing House (ACH) system.

1976 The first Apple PC – Ushered in a new era of personal computing for customers and bank applications alike.

1980 Electronic Cash Counters – Made teller's jobs easier while banks' physical and staffing footprints could become smaller. Port Washington State Bank's first ATM was installed in 1986.

1989 Tablet Computers – Bankers became untethered from their offices to better serve customers inside and outside of the bank.

1989 The World Wide Web – A new technique for distributing information on the internet was created.

1998 PayPal – The start of the person to person (P2P) payment systems. Venmo, Zelle, and others would soon follow.

2004 Digital Check Clearing – Images of checks could be created digitally and processed electronically. Digital checks were the beginning of innovations that made payments timelier.



The bookkeeping department at PWSB with their high-speed check processor, computer and laser jet printer.



Steve Schowalter showing off the bank's first-ever "TYME" machine in 1986.

1990s–mid-2000s – Debit Cards become widely used.

2009 Bitcoin – The global financial crisis of 2007-2009 spurred people to question norms and look for other ways to store value and conduct transactions.

2010 Mobile Point of Sale Devices could be plugged into mobile phones or tablets allowed small companies to accept non-cash payments.

2011 Facial Recognition Technology – Used for analytics and security.

2011 Google Wallet – For the first time, people could use their phones directly for purchases. Apple would follow in 2014 with Apple Pay.

2013 Smartphones Enable Mobile Banking – Smartphones accounted for 51.8 percent of mobile phone sales in the second quarter of 2013, resulting in smartphone sales surpassing feature phone sales for the first time. This allowed mobile banking and mobile banking applications to become a more common way to bank.

2015 EMV Chip Shift – Cards are now more secure because the information transmitted is encrypted and tokenized.

2017 Web-Based Compliance Dashboards – Gave bankers the ability to use graphs and other features to manage and monitor risk, perform compliance reporting, and identify anomalies and suspicious patterns.

2017 Onboarding Apps – Signing on new clients through the internet gave them the same experience as if they walked into a bank.

2023 Real Time Processing – RTP provided instant payments, processed immediately. The Clearing House RTP network started processing in 2017. The Federal Reserve's FedNow service went live in 2023.

2024 Age of AI – Artificial Intelligence is transforming the financial industry by streamlining processes, enhancing risk management and delivering personalized experiences to customers.

What's next?

Port Washington State Bank has always been an early adaptor in acquiring and utilizing new technology. This has evened the playing field between them and larger competitors and makes the customer experience with PWSB be the differentiator.

As we move into the future, PWSB will continue to seek the optimal balance between technology and personal service.



Cindy Nierode shows off one of our first debit card designs.




Facial Recognition



Age of AI

CHAPTER 7

A Story of Many Stories



Steve and Mark "roasting" our milestone recipients at what was called the MVP Celebration, Milwaukee Ale House in Grafton, October 2018.

The best stories feature people you find yourself rooting for.

People who dare to dream and then work hard to make them come true. People who are willing to put themselves on the line to achieve their goal.

Port Washington State Bank has been funding these heroes and impacting their lives for 125 years. They have quietly powered their community, providing loans to build businesses and construct commercial buildings and homes.

Cofounder Clarence Hill set the tone for helping others, as this thank you letter to the bank from 1999 describes:

"As I was told by my parents Harry and Mabel Burton, the Port Washington State Bank was very influential in the creation of Harry's Restaurant. Mr. Clarence "Papa" Hill believed in my dad and loaned him the money under a land contract to buy the corner of Franklin

and Main in 1944. My dad had very little money at the time, but the loan was given with a handshake and a strong belief by both Mr. Hill and my dad that Harry's Restaurant would succeed. Don't we all wish that deals like this could be made today."

**Rita Burton,
Port Washington**

The Schowalter family and Port Washington State Bank stayed true to this philosophy of helping others achieve their financial goals. A recent example of this is car dealer Eric Von Schledorn, the second generation of his family to own and run several auto dealerships in Southeast Wisconsin. He vividly remembers when his father decided to expand into the Port Washington market by purchasing another dealership. The Port Washington location would be Eric's first dealership.

Eric recalled that "it was kind of like training wheels for me. My father bought it at the time, and he said to me, 'The first thing we



The groundbreaking of Eric Von Schledorn in Random Lake, Wis., Sept. 9, 2021.

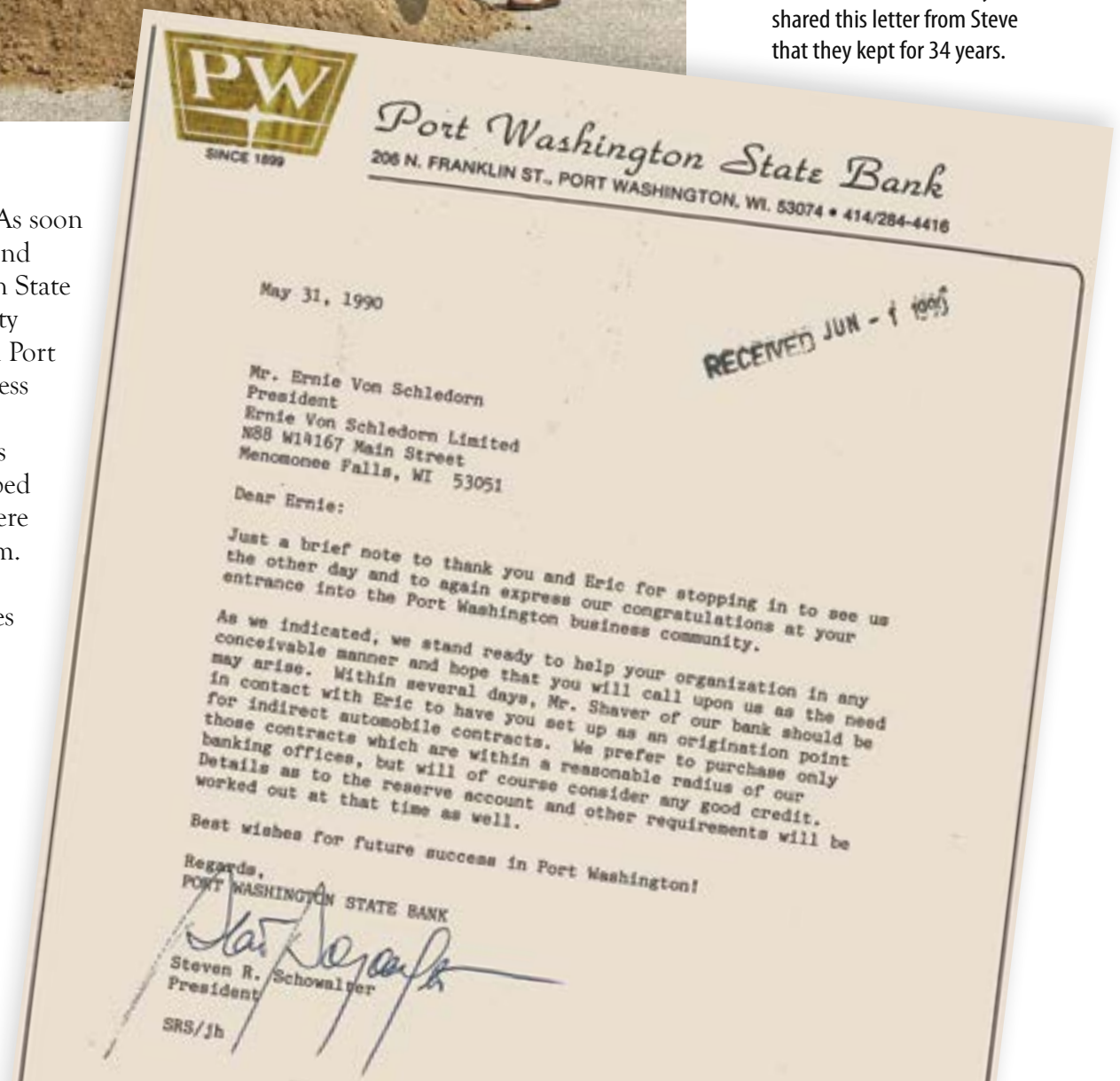
The Von Schledorn family shared this letter from Steve that they kept for 34 years.

do is make a visit to the local bank.' And we did. As soon as we got up there, we met with the Schowalters, and that's where we did our business. Port Washington State Bank has done our business from day one. In thirty years, I have not had one negative experience with Port Washington State Bank. And we do a lot of business with them. That is one fine institution."

As Von Schledorn's dealership grew, so did his partnership with PWSB. He said, "They have helped me with all my expansion. They've always been there for me. And that's why I'll always be there for them. It's a two-way street."

A lot of what Port Washington State Bank does for its customers doesn't appear on any balance sheet. Andrew Petzold is the founder of Concord Development, a real estate development firm in the neighboring city of Mequon. Andrew started working with PWSB in 1996, and he has been through the inevitable challenges in running a business. Andrew tells the story of a particularly challenging time during the Great Recession in 2007-2009.

"In addition to working with PWSB, I had three other banking relationships at the time.



One was with a pretty large bank. Even though the relationship had been with some local people, when the tough times hit, it didn't matter how good your portfolio was. It didn't matter how good your property was. The big bank had a cash crunch. They were facing significant struggles. Real estate wasn't something they wanted in their portfolio – especially new construction or speculative development or things like that.”

“You know, I learned very quickly how important relationships were. The big institutional bank, all of a sudden, a connection that had been on the books for twelve, thirteen years, was just like, ‘Well, there’s no relationship here.’ They were facing some challenges, and they were trying to create some challenges for me.”

“What was important to me during that time was that Port Washington State Bank never wavered in their commitment to Concord Development Company, to me. They would check in, ‘What can we do? How are things going?’”

Andrew noted that while his initial main contact with the bank was Steve Schowalter, that has transitioned to a relationship with James Schowalter. While the point of contact has changed, the valuable relationship has remained consistent.

He related another story of a challenging time during the pandemic: “I remember one transaction during the first twelve months of the Covid period. There was an opportunity that came about in Mequon to acquire a really strategic asset. This seller was really motivated. They had another buyer involved, and that deal fell through. The seller wanted to get it off their books in this specific quarter. They said, ‘if you’ll close in thirty days, we’ll sell it to you for a discounted price. It was a pretty significant acquisition for me.’”

“I approached Steve and James Schowalter with the situation, went through it, and

explained I didn’t have the time required for the normal due diligence, environmental, title, and those sorts of things. In addition, we did not have the traditional valuation or appraisals necessary. By leveraging another asset, they were able to find a way, even in the compressed time frame, to take advantage of this opportunity.”

“Again, they found a way to get to yes while protecting the bank. They did everything they needed to do from an underwriting standpoint, and I was able to close on a significant loan in less than thirty days and acquire this asset. Here it is today,

“What was important to me during that time was that Port Washington State Bank never wavered in their commitment to Concord Development Company, to me.”

– Andrew Petzold



Annie Noster with James Schowalter at the Belgium branch, 2019.



Andrew Petzold with James Schowalter, 2016.

and it's worth twice as much as when we bought it. I wouldn't have been able to do that in thirty days, take advantage of that opportunity without that working relationship."

Another customer, Rick Schmit, is the head of Schmit Realty, a local real estate agency headquartered in Grafton. Schmit Realty has been working with PWSB since the 1920s. His grandfather, his father, his brother, and Rick have all been involved in this loyal, lengthy relationship. Rick knows and has worked with the following Schowalters – Ron, Steve, Mark, and James. Rick says all of the PWSB people he has worked with are friendly and easy to work with.

As an example, Rick told the story of working with one of his tenants during Covid. It was a scary time, as nobody knew how to work through a global pandemic. This particular tenant of Rick's needed help with making rent payments until they received assistance through the government's Paycheck Protection Program (PPP). James provided the flexibility Rick Schmit needed so he could work with his tenant. His tenant is now back on solid footing and is very grateful to both Rick and PWSB. The tenant's appreciation toward Rick was truly heartfelt.

There are also great stories of times shared in the bank. Mark Schowalter started his career in 1970. He recalled Friday nights, pre-Automated Clearing House, before direct deposit and electronic banking. He described Friday nights when it felt like each and every customer came to the bank lobby. The lines were hectic, and the drive-

Schmit Realty has been working with PWSB since the 1920s. His grandfather, his father, his brother, and Rick have all been involved in this loyal, lengthy relationship.

The Schmit Pavilion in Grafton, Wisconsin, a long-standing family-owned business.





Steve Schowalter next to his plaque on the Wall of Excellence at Wisconsin Banking Headquarters in Madison, June 2021. The plaque above reads as follows:

Steven R. Schowalter

2020 Leaders in Banking Excellence Award

Steve Schowalter is a 52-year banking industry veteran and a fourth-generation family owner of Port Washington State Bank. A Marquette University graduate, he served in successive positions of increasing responsibility, becoming President in 1991 and now serves as Executive Chairman and CEO. A source of pride has been Steve's strategic emphasis on residential lending, leading to PWSB being the largest mortgage originator in Ozaukee County.

He is a 45-year member and past president of the Port Washington-Saukville Rotary Club, 28-year board member and past president of the United Way of Northern Ozaukee and a six-year board member of Portal Industries, Inc., a sheltered workshop. He dedicated 11 years of service on the Board of Directors for WBA's FIPCO, WBA Insurance Trust, and WBA. Steve was also a director of the Greater Cedarburg Foundation, and earned the YMCA of Metro Milwaukee's Key Leader and Volunteer of the Year Award for organizational and fundraising efforts. City and County Economic Development committee terms were also served through the years.

Steve was proud to represent Wisconsin banks as a member of the American Bankers Association Community Bankers Council from 2017–2020 and to be recognized as the WBA Community Banker of the Year in 2015 for his commitment to his communities and to his industry.

thru lanes were always backed up,

Instead of feeling overwhelmed, he saw this as an opportunity to connect. "It was a chance to meet everyone, see everybody, and catch up with them," Mark said, "and it was a good way to build relationships with customers." It was one of his favorite experiences.

The loyalty, the integrity, and the care shown to the bank's customers is also shared with the bank's employees. Cindy Nierode, longtime employee and CFO recalled an instance that demonstrates this:

"Years ago, when my kids were young, we had a regulatory exam. Melanie Spencer and I were working a lot of extra hours. Shortly afterwards, my husband and I were taking the kids to Disney. So, Steve Schowalter went and got Disney cash and gave it to me for my kids. That's just one example of the things they do for their people."

Annie Noster, who retired as a Vice President/Branch Manager of the bank, said, "I remember so many things. Like when we would get snow, they would say, 'You need to leave before the roads get bad.' Your safety, your family, were so important. Over the years it was wonderful to tell people that it was so family oriented. You work with the family."

Melanie Spencer, who recently retired after working with PWSB for forty years, said, "People like Annie truly were my family. I remember the day James (James Schowalter, Steve's son and current bank President) was born. I know right where I was standing when we got the phone call and they said, 'It's a boy!' It's just the way they are. It's wonderful."

When an employee needed a boost, the Schowalters were always there, going over and above. Cindy Nierode recalled, "I was



The Schowalter family at the "Community Banker of the Year" WBA Awards Ceremony in 2015. (L to R): Mark Schowalter, Wendy Schowalter, James Schowalter, Steve Schowalter, Tracy Schowalter-Braun, Sally Schowalter Savatski, Bette Schowalter and Ron Schowalter.

working from home due to a health issue. The Schowalters surprised me with a credenza for my home office."

At Port Washington State Bank, providing support extends beyond debits and credits. It is being there when someone needs it most. Mel Spencer remembers, "When somebody lost a family member, you know who you're going to see standing in line at that funeral? The Schowalter family. And that means the world to people. That's what makes us very special. We're valued. That comes through in our employee surveys all the time. And it's real."

There are also tales of the good times that were shared throughout the PWSB team. Work hard and play hard is a fitting motto for the bank. Mel Spencer said the Schowalters knew how to reward the team. She recalled, "Our holiday parties were legendary. They were held at Chalet on the Lake – that was the

event of the year. That was the most elegant place. There was a sit-down dinner, a band, and we'd dance. I remember dancing with R.J. (Ron Schowalter)."

Laughter is great for morale, and the Schowalters knew how to deliver it when it was needed. A sense of humor is sometimes as important as dollars and cents. Meetings are more effective when the attendees are engaged and having fun. According to Mel Spencer, the Schowalters excel at this: "Steve and Mark were legendary at our meetings as a comedy team, playing off each other. They were like the Smothers Brothers."

With a 125-year history, Port Washington State Bank has provided a wealth of stories. The tales told by customers, employees, and the Schowalter family create a mosaic of memories and dreams fulfilled. When an organization transforms lives for 125 years and counting, it's a tale worth telling.



Melanie Spencer (left) and Cindy Nierode (right) at the Saukville grand re-opening in 2013.

CHAPTER 8

Consistency



Ron Schowalter, Fish Day Grand Marshal, with Fish Day chairman Marv Sabel (left) inspecting the fish day menu prior to the event.

How can “consistency” be defined? How long does it take for something to become habit-forming? James Clear, author of the New York Times bestseller *Atomic Habits*, cites scientific research that determined it takes sixty-six days to form a habit.

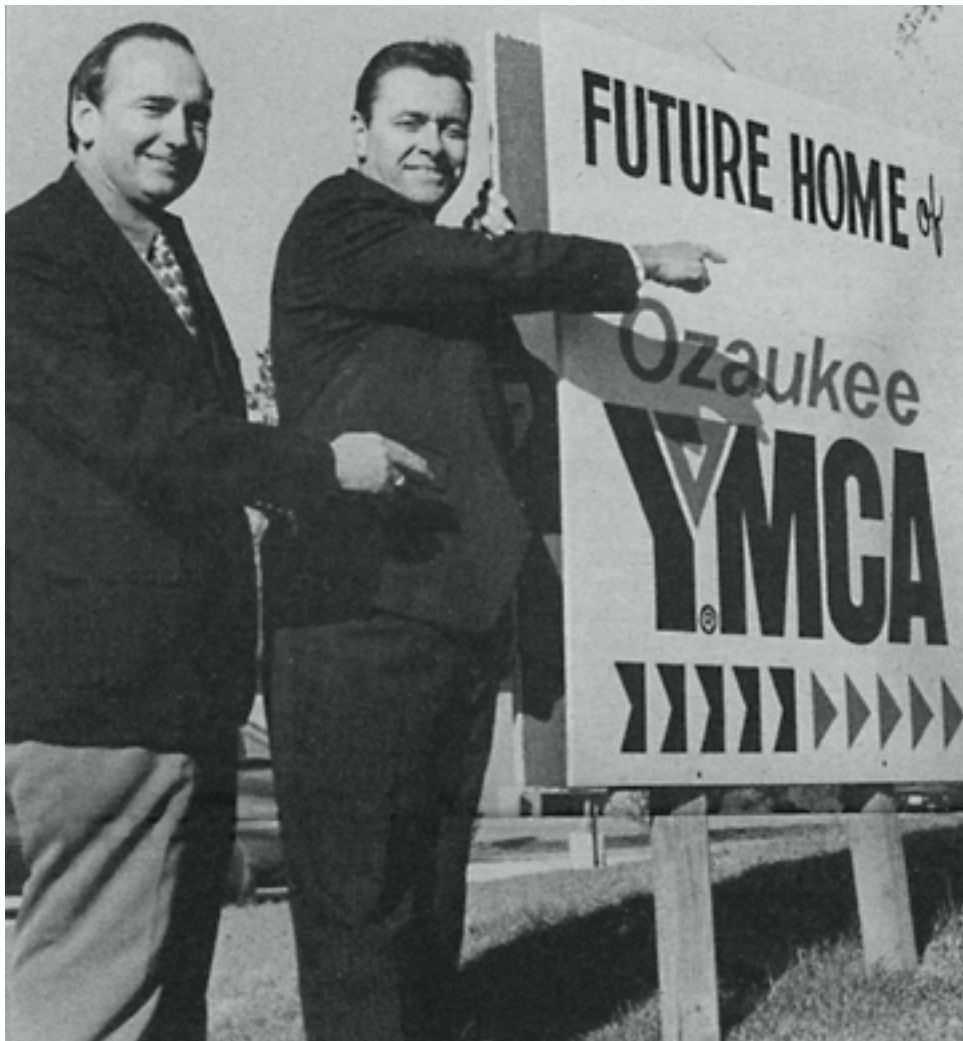
Imagine how ingrained, how consistent an action would become if it were done for 125 years? That is how long Port Washington State Bank has been an unwavering supporter of the communities and the people where it does business.

When it comes to consistency, Port Washington State Bank is the acting, supporting, giving definition of it. Through recessions, a currency shortage, the Great Depression, two World Wars, the Great Recession, and a global pandemic, PWSB has been the model of consistency.

Look at it this way: since 1899, there have been twenty-three U.S. presidents compared to just six presidents of Port Washington State Bank. Through every generation, PWSB has continued its support of the quality of life in the communities it serves.

Bank cofounder Clarence Hill set the standard, as he attained the high honor of being selected a 33rd Degree Mason – an honorary award bestowed upon Scottish Rite Freemasons who have made major contributions to society or Freemasonry. His son, and the bank’s third president, C. Donald Hill, was also a Mason.

This spirit of giving and community spirit extended to the entire PWSB team right from the beginning, as well. Anna Ubbink, who started working for the bank as a teller and secretary for Clarence Hill in 1921, was a stellar example of the impact one individual can have on a community. Ms. Ubbink was responsible for many local landmarks receiving National Historic Landmark status, was founder



Steve Schowalter shown with Scott Jaeger, board president of the YMCA, pointing to the proposed site of the Feith Family YMCA in Saukville, 1997.

Ron Schowalter served on the Ozaukee County Board for over 30 years and was one of the founders of Port Washington's Community Chest, which was created as a vehicle for charitable donations to be aggregated and then distributed to qualifying local causes. This organization relieved much of the decision-making burden on local businesses who had literally multiple dozens of donation requests in a typical year – a true win/win for the community. The Community Chest was the forerunner of what is now the United Way of Northern Ozaukee. It was a good concept that grew into something truly worthwhile.

Port Washington's Annual Fish Day is a beloved event each July. Port Washington State Bank supported it from the beginning. In the early days, since Fish Day was a cash only event, the bank kept extra currency on hand for Fish Day. This provided the cash on hand the vendors needed to get them started. In addition, the bank has always provided volunteers where they were needed. Ron Schowalter was selected as the Grand Marshal twice.

Steve Schowalter explained, "We've always been community-minded and service oriented. It's something we've embraced as a family. Part of being a community bank, aside from safeguarding the public's money, is to do many of these things."

Volunteerism has been a constant. Personal involvement in worthy causes starts at the top. Most bank officers have taken a board position at times with a local nonprofit. Steve Schowalter was involved with the United Way for twenty-eight years and the YMCA's building campaign efforts to name a couple. He served the City and County Economic Development committees throughout the years. He is a current Rotarian and past president of the Port Washington-

and curator of the Judge Eghart museum, founded the Port Washington Historical Society, and was a member of the Port Washington Women's Club, the Garden Club, and the Ozaukee County Historical Society.

Clarence and C. Donald Hill also led bond drives for WWI and WWII. In fact, C. Donald was the county's bond drive chairman when Port Washington earned the United States Treasury Department's Minute Man Flag for outstanding response in a bond drive in 1952.

After Clarence Hill passed away in 1948, C. Donald started a scholarship for Port Washington High School students in 1949 in his memory. The scholarship has been carried on to this day. That is seventy-five years and counting. Now that the bank has grown, it currently awards annual scholarships in five school districts.



Anna Ubbink, curator, seated in the Judge Eghart house in Port Washington, 1990.

Upon entering the Thiensville market with its seventh branch, PWSB donated to the local park committee.



Mark (right) is pictured with his "little brother" Aaron (left) after receiving the Big Brothers Big Sisters of Ozaukee LeDuc Award (for outstanding volunteer of the year) in May of 2024.

Saukville chapter.

His brother Mark has always enjoyed helping Big Brothers/Big Sisters (BB/BS). He was a Big Brother for twenty years and currently serves on the Advisory Board. He continues to serve the local Salvation Army unit for forty years now, volunteers at Harrington Beach State Park, and has served on the Port Washington Historical Society board.

James Schowalter is extremely active, serving on many boards, including the Greater Cedarburg Foundation, the Cedarburg-Grafton Rotary Club, and he was President of the Cedarburg Cultural Center Board of Directors at age twenty-nine. In leading these organizations, James has done everything from strategic planning to fundraising and volunteering. He currently sits on the board for Ozaukee Economic Development (OED).

The success of the Schowalters leading by example can be seen throughout the bank – and felt throughout the community. Most employees have participated in a charitable event, from raising money for Big Brothers/Big Sisters, to giving out candy at the Cedarburg Chamber Pumpkin Walk or free ice cream at parades.

Former employee Annie Noster noted that Mark Schowalter was a lead on the Workforce program, which is now called Ozaukee Youth Apprenticeship. She said, "We had quite a few students who went through school, worked with the bank through the summer, and then

some even stayed with the bank.”

She also saw the value of Mark’s involvement with BB/BS. She said, “Mark inspired me to get involved with them, which I did for eighteen years. The Schowalters always encouraged you to go out into the community.”

PWSB has given consistently to the community. The bank donates to an average of 170 organizations each year. In addition to his time volunteering, today James helps manage the bank’s philanthropic endeavors and is consulted on a majority of the requests.

The bank’s giving has been focused on three “pillars” of support – children, in the form of giving to schools and youth athletics, human services (food pantries, resources for aging and disabilities), and community-focused places and events that bring people together (parades, parks, festivals, etc.). Almost 100% of PWSB’s giving is exclusively within Ozaukee County.



A team of PWSB employees participated in the 2014 Big Brothers Big Sisters Bowl for Kids' Sake event. Dozens of bank employees participate every year.



James received the Cedarburg-Grafton Rotary's Paul Harris Fellow award in October 2019, an award noted for outstanding service to the community. Courtney Lutz was the current president who honored James as outgoing president.

It takes a certain type of person to get involved, and the bank has been very consistent in the type of people hired to join their team. They have employed hundreds of people locally and look for quality people in order to deliver best-in-class service and a positive community impact.

Rose Oswald Poels, President of the Wisconsin Bankers Association (WBA), has witnessed how special the PWSB team is. The family and the people on the bank staff, particularly the management staff, are all what Rose calls the epitome of a community banker. She said, “They all care about the community; they’ve all been born and raised in the markets they are serving. They know what it means to be charitable and philanthropic, and not just with money, but with time, and volunteer resources.”

James said, “Our community involvement is to a degree that the public doesn’t realize. We are in every chamber, and most every event, and we rarely say no.” Being a consistent supporter to a community goes beyond charitable giving. James explained, “It might not be apparent how we as a business and our employees support local businesses and restaurants through always spending local first.”

Steve added, “There is true economic impact on our county when you look at us as an employer, as a taxpayer, and as a real estate taxpayer. Then you have to consider the jobs created and the trickle-down

PWSB Port Washington's staff participated in the "ice bucket challenge" to raise awareness for ALS, a neurodegenerative disease, August 2014.



of those jobs, including houses and cars purchased here. It's a big number, as it is with other employers."

Longtime customer Andrew Petzold noted, "I contribute a lot to make a meaningful difference and have done that for as long as I've been in the community. I saw that same pattern of action from them. Our interests were aligned that way. I saw a company with a great reputation, they've been around for generations, they're engaged in a meaningful way in their community, and those are things that are really important."

Eric Von Schledorn, another longtime customer, put it this way, "It's more than important to be involved in the communities that your business is in – it's imperative. If you do business in the community, you have to really work with the community."

Mark Schowalter summed up PWSB's perspective on giving back directly to the community well when he said, "You volunteer because there's a need. It's just the right thing to do. Whether it's Big Brothers or the Salvation Army, you can see the result."

As consistent as the Port Washington State Bank team has been with giving and in adhering to the fundamentals of doing business, they have been flexible and progressive when it comes to technology

and employee benefits. The Schowalters and their team operate with open minds and open doors.

According to Mel Spencer, their doors were always open – literally and figuratively. Annie Noster agreed and said, "If you had a customer who was upset, and they wanted to talk to the president, it wasn't like in a lot of big banks where you could never see them. Instead, we could say, 'Just let me go down the hall, and I'm sure he's there, because he's always there.'"

Joel Dykstra had a simple explanation for PWSB's success, "One of the keys to the Schowalters' success in the bank is how strongly they believe in what they're doing, the way they treat people, how outrageously successful it can be to do it right every day. Just the basics on a daily basis – no smoke and mirrors."

This is one instance where the saying, "if it sounds too good to be true," does not apply. It is true, and it is simple, as James Schowalter explained, "All of us are kind, and loyal, and fair. We've always wanted success for others as much as we've wanted it for ourselves. That's proven through recognition like "Top Workplaces" and the amount of tenure we've had on our staff."

The same simple philosophy works for their customers, too.



PWSB employees volunteering to help build a home with Habitat for Humanity Ozaukee in 2015.

Joel Dykstra said, “Consistent traits that run through the Schowalter family include their treatment of their people and their clients as well.” Cindy Nierode added, “They stay true to who they are. As far as growing, they stick true to community core banking, and not trying to get into any high-risk loans or businesses. They’re consistent. Nothing has changed. Customers from thirty years ago will still call Steve (CEO Steve Schowalter) first.”

Customer Rick Schmit of Schmit Realty pointed out that PWSB’s independence has aided their expediency, “Other banks have changed – decisions are not made locally anymore.”

Eric Von Schledorn added another key Schowalter ingredient – sincerity, as he described them, “The Schowalters are great quality people who take care of their employees. They’re just very sincere people.”

Consistency over a period of time is admirable, while consistency from generation to generation speaks volumes. Longtime customer Andrew Petzold agrees, saying, “The relationship when Steve and Mark’s father was involved, to now James, has been seamless in their dedication to their customer, their client, their community. You see the same level of passion present in each of the Schowalters as they’ve transitioned to different roles.”

Beyond Ron, Steve, James and Mark, additional members of the Schowalter family who have played a role in delivering consistent,

family-oriented service over the years include Steve's daughter, Tracy Schowalter-Braun, who worked as a teller during high school and Marquette college years before joining Norwest/Wells Fargo bank as a VP and Branch Manager. Tracy's son, Cooper Braun, sixth-generation family member, spent his college years (University of Colorado/Boulder) as customer service representative primarily in the Cedarburg office.

Mark's wife Cathy worked 15 years as a Senior Customer Service Representative at the bank. Their son Jacob, a graduate of UW-Madison, spent the summer of 2012 and 2013 as a teller during school. Sally's daughter, Ashley (Savatski) Sippel, is a customer service representative at the Fredonia and Port offices. Ashley’s dad, Bob Savatski, put in a stint during his retirement as the bank's courier. An honorable mention also goes to Ron's late brother Robert (Bob) Schowalter who worked many years as head of the bank’s maintenance area.

Vince Lombardi said, “Individual commitment to a group effort – that is what makes a team work, a company work, a society work, a civilization work.” The leadership and the employees of Port Washington State Bank have been committed to their communities for 125 years. Their consistent, unwavering support of the quality of life here, from generation to generation, has worked well for Ozaukee County.

FIFTY YEAR CLUB

Wisconsin Bankers
ASSOCIATION

In 1941, to mark its 50th anniversary as an organization, the Wisconsin Bankers Association honored those bankers who had been a part of the industry for 50 years or more, a tradition that continues today.

Clarence Hill, Founder, President, Chairman, Director

O.E. Moeser, Director

Emil Biever, Director

Adolph Ansay, Vice President, Director

Anna Ubbink, Cashier, Vice President, Director

Ronald J. Schowalter, President, Chairman, Director

Thomas D. Greisch, Cashier, Vice President, Director

Don Sauer, Vice President

Frank Metz, Executive Vice President, Director

Steven R. Schowalter, President, CEO, Chairman, Director

Mark D. Schowalter, Cashier, Executive Vice President, COO, Director



Directors Emil P. Biever and Adolph N. Ansay honored for 50 years of service to PWSB in 1982. Recognized by President R.J. Schowalter.

Over the years the bank has had many long serving employees reaching 20-, 30- and 40-year milestones. This is a testament to the bank's stability and attractiveness as a place to work and have a career.

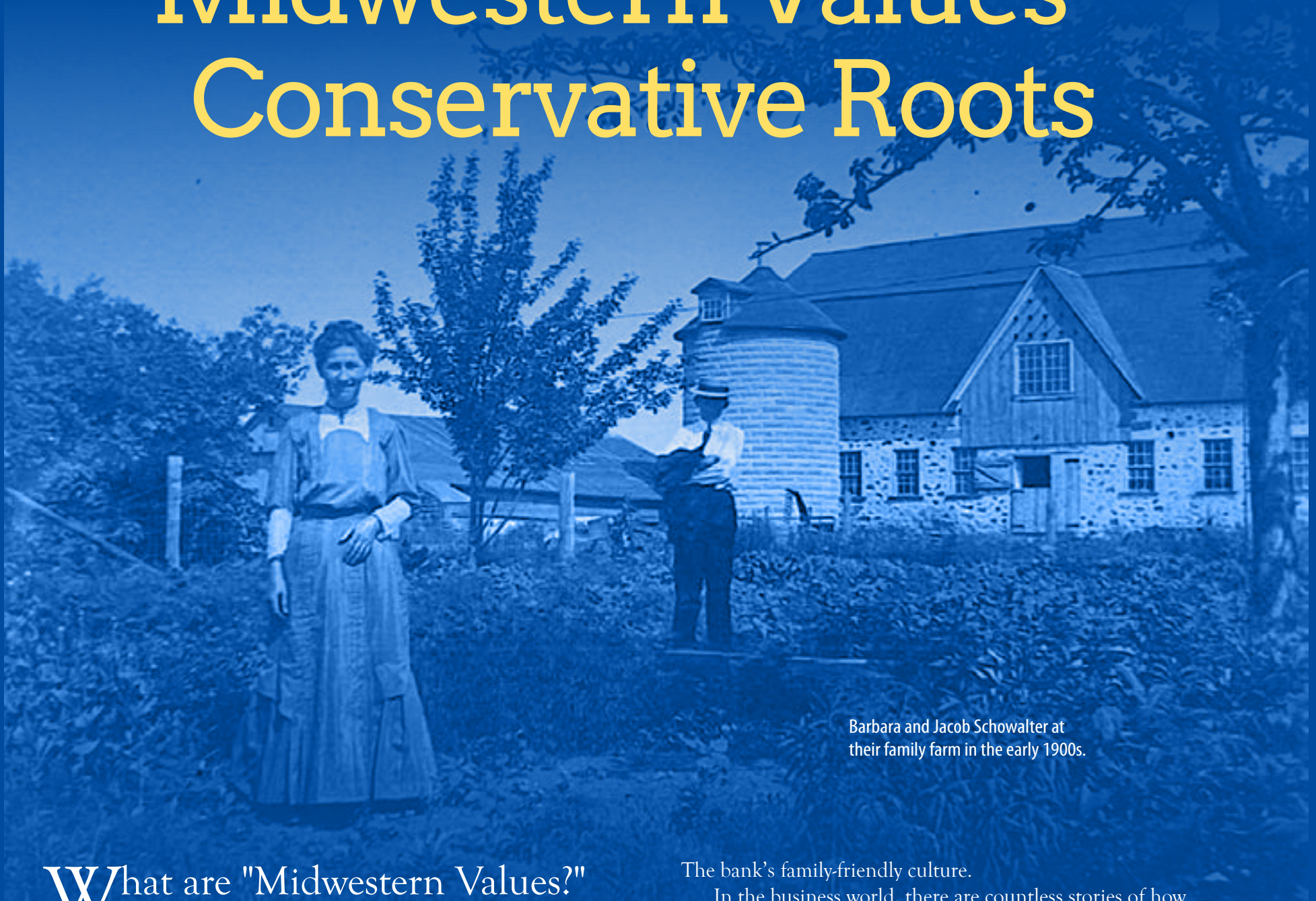
Ronald J. Schowalter was affiliated with the bank for a record 75 years.



Members of the 50-year Club in Milwaukee, January 1943. (L to R): John E. Jones, Clarence Hill, John Rose, A. B. Chandler and W.R. Frame.

CHAPTER 9

Midwestern Values – Conservative Roots



Barbara and Jacob Schowalter at
their family farm in the early 1900s.

What are "Midwestern Values?"

Hard work, friendliness, honesty, enthusiasm, modesty... the list could go on and on. The most important quality that Midwesterners feel and believe in is the importance of family.

About half of adult Midwestern residents have spent their entire lives in their hometown. Why? Most have about a half dozen relatives who live not more than an hour away. The Schowalters, many of their employees, and their customers, embody this ethos.

Annie Noster joined the PWSB team as a teller and retired forty-three years later as a Vice President. She knew right away that Port Washington State Bank was the right place for her. The reason?

The bank's family-friendly culture.

In the business world, there are countless stories of how important family is – to the family that owns the company. The Hills and Schowalters understood how important the balance of work and family life is to all of their employees, and they always have.

Recently, President & COO James Schowalter said, "I think family first is important. My grandparents cared about family. It always translated into no judgement for our employees. We didn't want people working at eight o'clock at night. We didn't want people to spend their weekends here. We wanted people to use their vacations and enjoy their families and take advantage of what I like to call the Wisconsin way of life. We want everyone to come to work



VP-Senior Business Lender Eugene Shaver (green jacket) with Steve's son-in-law Dr. Justin Braun (third in the row) and James Schowalter (far right) with customers on a company fishing outing, early 2000s.

and give us their best, but after that we all strive to take in a day at a local park, or watch our kids to play sports, or spend the day at the local community festival or event.”

Mel Spencer, who started in lending and eventually headed the bank's human resources department, said “When I championed the bank, one of the things I would always speak to is our family culture.”

“The family culture that has been built at PWSB makes everything easier,” according to Chief Credit Officer Joel Dykstra. “Starting with Ron, it has been carried on by Steve and is continuing with James. It feels like family, and the Schowalters are genuine.”

Family values thrive in welcoming communities. Something about Port Washington feels like home to the people who are connected to PWSB. Part of their

Midwestern existence is fueled by the essence of Port Washington – a quaint, lakeside city that allows for suburban life, and also has access to major cities like Milwaukee and Chicago.

Every generation of the Schowalter family has wanted to raise a family here. In the case of CEO Steve Schowalter, both he and his wife Wendy are from and continue to live in Port Washington where they raised their son James and daughter Tracy. The dynamic throughout the bank has a definite local flavor. As Rose Oswald Poels of the Wisconsin Bankers Association observed, “The family, in particular, is very devoted personally because they have all been born and raised there.”

The Schowalter family is truly connected to the community, from living here to enjoying hobbies that are

“We love our community. That’s where we are. That’s where we live. We care. And we care about our customers.”

– Mel Spencer

part of the fabric of life here, like going “up north,” enjoying Sunday drives, attending Midwest car shows, fish fries and Old Fashioneds, hunting, fishing, and family cookouts.

Mark Schowalter said, “It’s been a great place to raise a family. Great schools and the opportunities for my kids to grow and learn that Midwestern way of life. My wife Cathy and I couldn’t imagine living anywhere else.”

How does the family aspect impact customers? They can feel it. Rick Schmit of Schmit Realty continues to work with PWSB specifically because of the family atmosphere.

Mel Spencer summed it up well, “We are a community bank. We live here. We’re active. Our kids go to school here.



We’re in church with our customers. We love our community. That’s where we are. That’s where we live. We care. And we care about our customers.”

Caring about customers takes many shapes and forms. In the Belgium branch, there is a bell on the door to let everyone know when a customer walks in. In the Port Washington home office, there is a receptionist

to answer calls and welcome visitors instead of automated systems. The bank has even built a community room in Port Washington for the public to use for free. It is a true investment in the community and its people.

Midwestern people stay close to the people they know and care about. PWSB people know and care about their customers, so when something out of the ordinary happens, they notice it and pay attention to something that would be a red flag. That family feeling means helping their customers avoid scams.

When the unfortunate instance does occur, the PWSB family is there to help. “When something happens, when something goes wrong, when you walk in the door, somebody’s going to care,” said Mel Spencer. “Somebody you trust is going to take care of you.”

James Schowalter explained this further when he said, “We look to take care of all the financial needs of our customers. Not every small bank does. I struggle with a bank who wants the big business account but is not interested in the car loan of the owner



Mark Schowalter has served the Salvation Army for 40 years.

Mark, Steve and Sally at a cookout to celebrate Ron’s 97th birthday in August 2023.



Steve with grandsons Cooper (left), Steven and Jack (right) at the bank's annual mini golf outing, 2021.

of the company. We take care of everything. While we enjoy the moments of funding first homes, cars, and building businesses, we also take our job as a secure agent of our customers' financial resources seriously by protecting them from fraud, advising them on best practices, and offering proactive advice and protection."

That level of care is extended to employees, too, and is felt in many ways. James Schowalter added, "Our employees receive discounts on loan and depository services. We believe our job as a successful employer of choice is to help them along their financial journey. I've had retired employees say, "I would not be living the way I live if your family did not do what they did for me."

The Schowalter work ethic could be a trait derived from farming. The bank's co-founder, Clarence Hill, grew up on a farm. Thanks to Ron's grandfather, Jacob, who left his tailor business in Milwaukee to purchase a forty-

acre farm in Saukville, Ron too experienced a bit of the farm life firsthand.

Ron was not interested in the agriculture business for his career, but it was good experience for him. "I understood the farmers and the agricultural loans a lot better because I knew what they had to do."

Hard work was ingrained in Ron's entrepreneurial family. Ron worked in his father's contracting business while he was

going to school, which provided him with a hands-on, hard-earned education. They built ten to fifteen homes in the area in addition to a robust commercial and residential roofing specialization. His firsthand experience in building and contracting was also valuable experience for banking.

The Schowalters and the bank's employees through the years are proud of their conservative roots in how they conduct their business. This approach has many fans, including longtime bank customers. Schmit Realty has worked with PWSB for generations, and Rick



James, wife Jennifer, and sons Jack and Steven carving pumpkins, 2014.

Steve's daughter Tracy Schowalter-Braun shares a deep connection to both her family and the community. She and husband Dr. Justin Braun (Cedarburg Family Dentistry) along with their three children (Cooper, Riley and Adeline) call Cedarburg home. This photo was captured during a visit to see eldest son Cooper while he attends University of Colorado Boulder. (Cooper is the photographer of this special moment, and a proud PWSB employee).



Schmit plans to keep this relationship going strong into the future. One of the aspects Rick likes about PWSB is their conservative ways.

Another loyal customer, developer Andrew Petzold, explained specifically what he likes about the bank's conservative nature: "It gives me the confidence that they're going to be around and that they're going to be there in ten years."

Through the generations of the Hills and Schowalters, the bank has been able to weather the economic and political storms because of this smart, conservative approach. Rose Oswald Poels, President of the Wisconsin Bankers Association, agrees. As she observed, "They don't take crazy risks. They are great traditional lenders. The Schowalter family runs a very solid bank with strong balance sheet management and understands where their risks are and manages those accordingly."

Midwestern values. Family first. Conservative roots. These components form a strong foundation that generations of Port Washington State Bank leadership have grown with in the past and will continue to bank on into the future.



Matt Savatski, son of Bob Savatski and Sally Schowalter Savatski, was a firefighter and public safety diver for the City of Port Washington, and for the Ozaukee County Division of Emergency Management.



Mark and Cathy's son and daughter, Jacob and Mikayla earned their Eagle and Gold Awards through community service projects in Port Washington.



Marching in the Fourth of July Parade in Port Washington, early 2000s.

Company logos throughout the years



Very first logo from the 60s



Early billboards



1990s / early 2000s



2003 to current



75th Anniversary



100th Anniversary

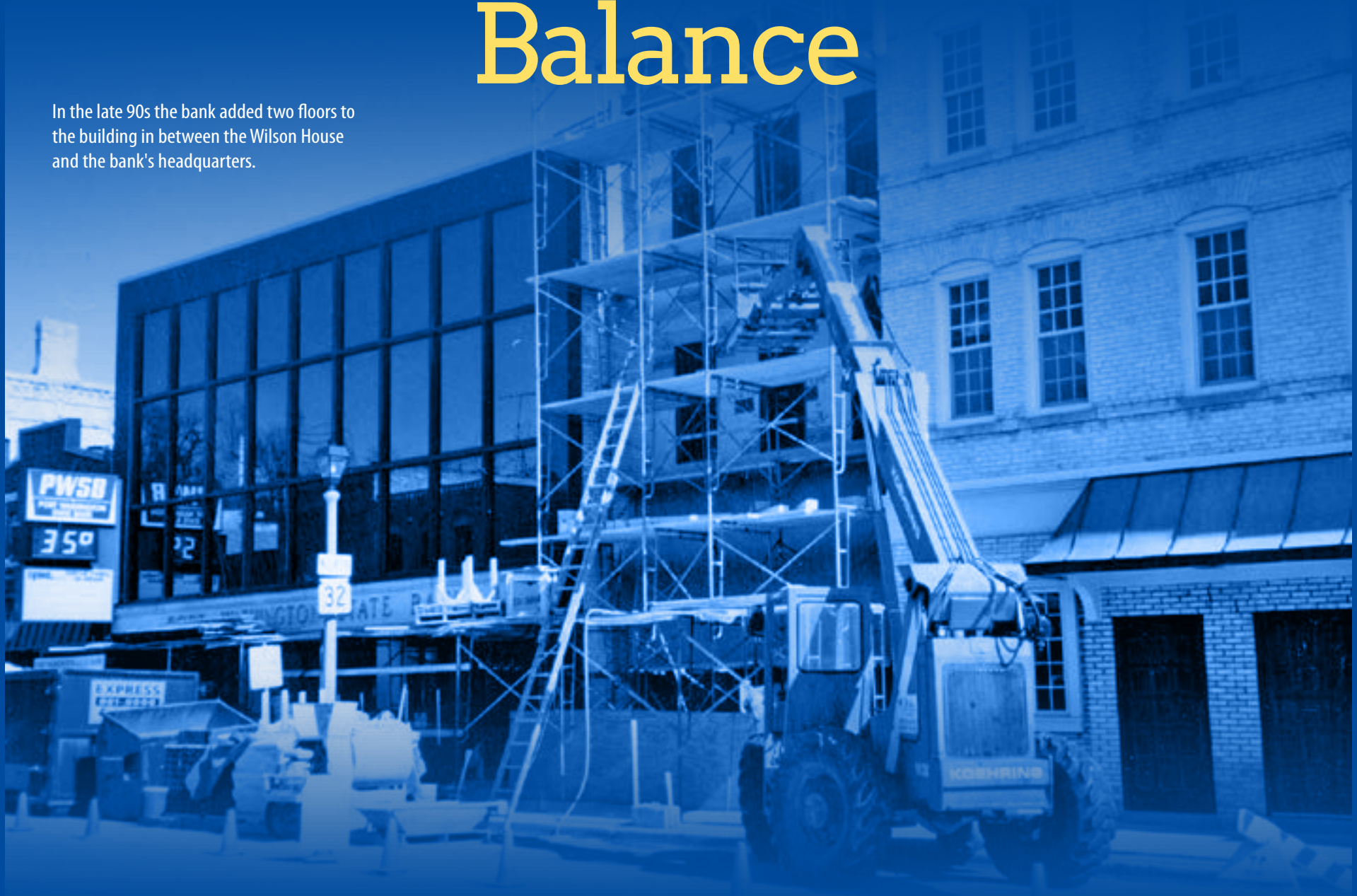


125th Anniversary

CHAPTER 10

Balance

In the late 90s the bank added two floors to the building in between the Wilson House and the bank's headquarters.



Maintaining a healthy balance in banking generally refers to the amount in a checking, savings, or other type of account.

In the specific case of Port Washington State Bank, it is the history, the present, and the future goal of how they work and live in the communities they serve.

PWSB has balanced their conservative stewardship with forward thought and action. Their steady leadership has guided the bank through two world wars, the Great Depression, and

several recessions. While banks in other areas of the country faced uncertainty or closure due to misguided management, PWSB has maintained its course, steady as she goes.

To balance their deliberate path to growth, the bank has blazed a trail through a history of firsts, including the first drive-thru in Ozaukee County and early adoption of banking and financial technology. They always volunteered to be a beta bank for M&I Data/Metavante, which provided financial technology services and software to financial institutions.

Striking a balance between personal service and technology is a challenge. Customers want both, but not one at the expense of the other. The balance of incorporating the latest technology for safety and convenience and recruiting qualified people who care has been

ingrained in PWSB's culture since the bank's founding in 1899. The evolution of technology has not caused a pivot away from people at PWSB.

To support this forward thinking, the bank also takes a progressive path with how they care for and about their most precious asset – their employees. The bank walks the walk when it comes to treating employees well. It's proven through recognition like winning "Top Workplaces" for fourteen years in a row at the time of this writing. In this process, companies are measured on qualities such as company leadership, career opportunities, workplace flexibility, compensation, benefits, and the impact company policies have on innovation and morale.

The bank branches have been renovated on an ongoing basis to benefit the employees and customers. For example, a 2024 renovation to the Cedarburg branch included the following upgrades for employees: an upstairs break area, a new mother's room, new office furniture, and new restroom facilities. The square footage



Steve and James Schowalter showcasing their eighth Top Workplace win in 2018.

behind the teller line was increased to allow customer service representatives to work more efficiently.

Another example of the bank's desire to provide the best experience possible for employees and customers is their expansion of the Fredonia branch. This will add another 1,500 square feet in 2025 to accommodate the growth of the surrounding community.

PWSB branches also aid organizations and customers looking for a private meeting area with audiovisual capabilities. They can use the bank's conference rooms at no charge.

CEO Steve Schowalter says caring about the bank's employees also means creating vehicles for savings and profit-sharing, plus instilling in the employee that they need to avail themselves of the tools that are available. He said, "We were always early adapters of employee benefit plans and technology."

When thinking of traits that are important and successful in banking, the word flexibility does not typically roll off the tongue.

“I think the family always wanted to put their head down at night and feel good about how we were as an employer and what the business stood for in the community.”

– James Schowalter



Employees celebrating with customers in our Fredonia branch, 2019.



PORT WASHINGTON HEADQUARTERS

206 N. Franklin Street, Est. 1899



Steve and James
inside of the newly
remodeled Port
Washington office
in Feb 2021.

When it comes to the word flexibility, PWSB is like a yogi, bending and stretching to accommodate its employees.

Sally (Schowalter) Savatski has worked with the bank for thirty-five years. She came back to work with PWSB when she was having her first son. Her daughter Ashley, who works at the bank's Fredonia branch, was able to work a flexible schedule while she was expecting her second child.

James Schowalter said it best, "I think that's been a big part of why we've been successful – we've always been fair and accommodating. We've put the right things first. Money was never the main driver of this business. That's probably the one thing that's confused everybody, including our industry peers."

Historically, Port Washington State Bank has been on the leading edge of providing opportunities to women. As an industry, banking has lagged behind in this area. As an individual entity, PWSB is a leader. Anna Ubbink, who started as a secretary and teller, served on the bank's board of directors for

many years until she passed away. Currently, there are two women on PWSB's senior leadership team out of five positions, and 78% of the bank's workforce is female.

Another measure of the bank's balanced approach is in its give and take – as in what the bank gives back to the communities of its locations while making a profit. If you don't make a profit, you can't afford to give back.

James Schowalter explained the family's history of balance: "I think the family always wanted to put their head down at night and feel good about how we were as an employer and what the business stood for in the community. We all wanted to walk down the street with our head held high. I feel like we always tried to put people first and the best interests of the customers first. Yes, we have to make sure that the bank is protected but I always think that we were fair and equitable in how we treated people."

Rose Oswald Poels of the Wisconsin Bankers Association noted that PWSB is making their communities better places to live because of what the bank does in taking in the deposits and loaning that money right back out. She said, "They've made a conscious decision as a family to keep the investment for the reasons they started it and not purely for their own

BELGIUM

545 Main Street, Est. 1934



SAUKVILLE

601 East Green Bay Avenue, Est. 1967



FREDONIA

201 Regal Drive, Est. 1994



GRAFTON

2080 Washington Street, Est. 2003





“We have the luxury of not having to be only focused on ROI because we control it. That’s been a flexibility.”

– Steve Schowalter

personal gain. That really speaks volumes – the fact that they have generations of family working in the bank.”

Steve Schowalter explained that flexibility and fairness helps PWSB keep a healthy balance when he said, “By nature, the first responsibility of the managers

is to the owners or the stockholders.

That’s number one – return on the investment (ROI) made to create the bank. But we’re not so laser focused on it that we don’t see the big picture. We have the luxury of not having to be only focused on ROI because we control it. That’s been a flexibility.”

It’s a balance that has served the bank’s employees, customers, and communities extremely well. The balance of risk and responsibility. Of heritage and technology. Of respecting the past while leading into the future.

Symbolically, Port Washington State Bank’s headquarters is the physical embodiment of the bank. The space has been renovated and outfitted with technology for the service and convenience of their employees and customers. Yet, the Schowalters have managed to accomplish all of this in the exact same spot in downtown Port Washington upon which the very first bank building was built in 1899.

It’s still standing. So are the Schowalters – still standing for what they believe in... their employees and their customers.





PWSB Community Projects

Over the last two decades, PWSB contributed \$5,000 or more to the following community projects that help define the Wisconsin way of life and provide value to many generations of families in Ozaukee County. Years reflect major commitments but more commonly than not, the bank contributed for multiple years following.

Port Washington

1. Port Washington State Bank Centennial Pavilion in Rotary Park (1999, 2024)
2. Port Washington High School's Upper Deck (2020)
3. Possibility Playground (2010 and 2018)
4. Possibility Playground's mini bandshell (2019)
5. The Port Harbor Fire Sculpture (2021)
6. St. John XXIII Scoreboard (2021)
7. Lincoln Elementary School Performing Arts Curtains (2023)
8. Port Washington-Saukville School District PAC (2020)
9. The Port Exploreum Museum Building (2015)
10. The Dennis Sullivan Ship (2015)
11. Port Washington Lighthouse preservation (2016)
12. Port Washington Historical Society Shipwreck Exhibit (2019) and Brewery Exhibit (2020)
13. City of Port Washington Baseball/Softball Scoreboard (2020)

Belgium

1. Restoration of the Roof and the Bells of St. Mary's Church (2016, 2021)
2. Belgium Fire Department Heart Rate Monitors (2015)
3. Lakeshore Communities Ice Rink (2011)

Saukville

1. Schowalter Park (1985, 2024)
2. Saukville Rebels Scoreboard at Didier Field (2015)
3. Grady Park Swing Set (2018)
4. Ozaukee Food Alliance Building (Since 2022)
5. Feith Family YMCA – Pool Observation Room (2015 & 2016), Capital Campaign supporter, and Archery Fields (2012)
6. Saukville Elementary School LED Sign (2014)
7. The Saukville Area Historical Society Crossroads Museum (2015)

Fredonia

1. PWSB Splash Pad at Marie Kraus Park (2024)
2. Northern Ozaukee School District Gym Floor (2017)

Grafton

1. Grafton's Matt Malkowski little league field (2020)
2. Grafton High School Scoreboard (2012)
3. Grafton School District (2010, 2020)
4. Veterans Park Bandshell (2024)

Cedarburg

1. Cedarburg Rotary Park Bandshell (2015-2016)
2. The Cedarburg Landmark Museum (2016)
3. Cedarburg Cultural Center (Since 2014)
4. Cedarburg History Museum General Store Gallery (2017)
5. Rivoli Theatre Movie Series Sponsor (2015)
6. Ozaukee Ice Center (Scoreboard sponsor since 2012)
7. Cedarburg High School Girls Softball Field Scoreboard (2020)
8. Cedarburg Pool Play Area (2020)

Mequon-Thiensville

1. PWSB Fields/North Shore United Soccer Club (Since 2014)
2. PWSB River Stage in Village Park (2018)
3. Splash Pad in Village Park (2024)
4. Concordia Endowment Fund (since 2020)
5. River Barn and Rotary Park Scoreboards (2020)
6. The Lakeshore Chinooks (since 2015)
7. The Spring Street Bike Path Connection (2017)
8. Thiensville-Mequon Town Center Gateway (2020)
9. Athlete Performance Scoreboard (2021)

In the County

1. Ozaukee Family Services Building (2021)
2. Family Promise Building Improvements (2020)
3. Stars and Stripes Honor Flight (2019)
4. The Ozaukee County Historical Society (2009) and Pioneer Village Hall (2015)
5. Scholarship Programs for Area High Schools (Since 1949)
6. United Way flagship supporter (more than 20 years)
7. Four Homes for Habitat Humanity Ozaukee (2016-2024)

In the Industry

1. Wisconsin Bankers Association (multiple years)
2. Columbia Savings and Loan Association's Centennial Fund (2023)

CHAPTER 11

People

Ozaukee Food Alliance Executive Director Mark Gierach, James Schowalter, and Board President Sara Pashak posing for the kickoff of the capital match campaign in November 2022.

In banking, the term “interest” conjures up thoughts of rates that you could potentially earn or pay on an account, be it a money market or a loan to pay back.

At Port Washington State Bank, everything starts with human interest. The decisions PWSB makes on whether or not to approve a loan could have a major impact on a person’s dreams, their future, or their present life. People’s financial lives depend on the bank’s

decisions. It is a major responsibility, and the PWSB team takes it seriously.

Banking is not just about numbers, or debits and credits. Banking is about people. Throughout its 125-year history, PWSB has impacted thousands of lives through its decisions about loans, employment, and how to give back to the communities it calls home.

As President and Chief Operating Officer James Schowalter recently said, “This bank has been a wonderful opportunity and a blessing. We’re lucky and we know we’re lucky to be in a position to do great things.”

The Port Washington State Bank story started out about one family with a dream that works hard, plays fair, and does good in the community. Along the way it builds trust, which is the foundation



Mark, Steve and James enjoying the warmth of the Harbor Center Sculpture. The bank contributed \$10,000 toward the new addition to the harbor.

for any lasting relationship. The tale becomes an expanding web of goodwill that impacts family after family, generation after generation.

This story is not just about a bank – it’s about people. It starts with the Schowalters. Since the beginning, they understood that the bank’s reputation reflects on them while the family’s reputation reflects back on the bank at the same time.

Steve’s son James described what it was like growing up with a father who was known and respected in the community, “When I was a kid, going out with Dad was like going out with a celebrity. Everywhere we went, it was, ‘Hi Steve!’ Mom would say, ‘We can’t even sit down at a restaurant because your dad takes a half hour to make the

rounds and say hello to everyone.’ Both the restaurant and half the people at the restaurant were his customers. He’s a social guy and he cares about people.”

Sally Schowalter Savatski encounters the same reception locally. She said, “When I walk in, I know everybody, and my family knows that I’m going to be a while. I like talking to people.”

James described how this has been passed on to his generation, “My son, Jack, is going through that with me now. That’s what it was like going to the hardware store with Dad.”

From another perspective, how much Port Washington State Bank and its people are highly regarded and trusted by the banking industry was confirmed when CEO Steve

Schowalter was named “Community Banker of the Year” by the Wisconsin Bankers Association in 2015. Winners are nominated by others and judged on the following criteria:

1. Service to community through non-bank activities, such as service clubs.
2. Service to community through banking activities, such as economic development.
3. Service to their financial institution, growth, rates, ROA, ROE, etc.
4. Service to the banking industry
5. Leadership at their bank, including staff development and mentoring.

Service and leadership build trust, and that’s the criteria for the award that Steve Schowalter earned. When accepting the honor, Steve commented how critical it is to have great people on your team. They make winning awards and earning the trust of customers possible.

Employees have long been the critical ingredient for PWSB’s recipe for success. From founder Clarence Hill to Steve, Mark and James Schowalter today, the bank’s leaders have had the ability to recognize,



The PWSB Community Room, located at 218 E. Washington St, was completed in October 2022.

Banking is about people. Throughout its 125-year history, PWSB has impacted thousands of lives through its decisions about loans, employment, and how to give back to the communities it calls home.



James presenting \$65,000 check to Superintendent Jeff Nelson for the Enhancing our Future Campaign in January 2021.



Presentation of PWSB's \$25,000 donation and \$25,000 matching pledge to the Village of Fredonia in honor of the bank's anniversary in 2024. (L to R): Steve Schowalter, Tiffany Bartz, Dan Gehrke, Christophe Jenkins, and James Schowalter.

recruit, and retain talented, loyal people. Families have had many members work at the bank at the same time, and it's not uncommon that generations of families have worked with the bank.

Mark Schowalter said, "As I look back at the number of employees that we have had over the years, they become part of your extended family. There's a group of about twenty-five to thirty retired employees who meet every month to keep in touch with friends that they made over the years at the bank. I consider many of them very good friends."

The impressive length of PWSB's careers can be traced back to the bank's beginnings. For generations, the culture



Mark Schowalter and wife Cathy chaired the United Way fundraising campaign in 2013.

of flexibility and treating members of the team like an extended family has drawn, and retained, top talent. CFO Cindy Nierode spoke directly to this point, saying "They treat me like part of the family. The Schowalters have cultivated a family atmosphere throughout the organization. Anybody can go into any one of their offices and have a conversation."

That culture has resulted in almost unheard-of longevity for PWSB people. Annie Noster recently retired after working with the bank for forty-three years. Her husband also worked for the bank, retiring after nine years. Her children worked there at times as well. Annie is well-qualified to speak on

“One of the keys to the Schowalters’ success in the bank is how strongly they believe in what they’re doing, the way they treat people, how outrageously successful it can be to do it right.”

– Joel Dykstra



Joel Dykstra, Chief Credit Officer.

the bank’s culture. She said, “We had many employees that worked with the bank for forty, or forty-five years. Some of the women on the front lines worked into their seventies, because that’s what they wanted to do. Some of them came through the apprentice program we had, and still do.”

Many of the employees have had multiple generations and siblings from the same family work for the bank. This loyalty extends to Port Washington State Bank customers, too. Cindy Nierode shared that customers from thirty years ago will still call and ask for CEO Steve Schowalter.

The Schowalters care about customers and their people. That’s why there are so many generational customers. They have good communication. With technology, people could live anywhere and still choose to bank with PWSB.

Customer service, delivered by a real person, may now be rare, but not at PWSB. They still have a receptionist in Port Washington – not an automated system. When the customers have a question, the Schowalters are very much into customer service and getting back to them.

That level of concern for the customers is authentic. Customers have felt the real care and empathy for them for generations. Ron Schowalter worked for, led, and advised Port Washington State Bank for over seventy years. He summed up the bank’s feelings for their customers best when he said, “There were a number of businesses – we were happy to get them started. That was part of the joy of being in a bank. You could see some things happening that were good for the communities and for the people working.”

Joy is not a word that is typically associated with bank presidents, but it is for Ron, Steve, Mark, James, the PWSB team, and their customers. Ron added, “The biggest part of it is the friends you can make and keep, and the people you can help.”



James and Steve Schowalter inside the Cedarburg Historical Society’s General Store, an addition made possible by a donation from the bank in April 2017.



Employees, civic leaders and other community members gathered in Rotary Park for the rededication of the Port Washington State Bank Pavilion.

Celebrating 125 years of Community Dedication

On September 4, 2024, as part of its 125th anniversary celebration, the bank gathered with civic leaders at Rotary Park in Port Washington for a dedication ceremony honoring the newly revitalized Port Washington pavilion. Originally built with funds the bank donated for its 100th anniversary in 1999, the pavilion has long served as a centerpiece of the park.

In celebration of this milestone year, the bank underwrote the cost of essential updates, including a new roof, new lighting, new signage, and fresh paint. To enhance the space further, four Adirondack chairs were added, providing a serene spot for visitors to relax, enjoy the lake views, and watch the waves come to shore. The event brought together various stakeholders, reflecting the bank's continued commitment to fostering vibrant community spaces and partnerships.



The ceremonial ribbon cutting of the new pavilion was conducted by Mark, Steve and James Schowalter.



At left, Steve Schowalter, Sally Schowalter Savatski, James Schowalter and Mark Schowalter underneath the revitalized Port Washington State Bank Pavilion.



At right, the bank's senior management team (L to R), Stella Peduzzi, Steve Schowalter, Joel Dykstra, Cindy Nierode and James Schowalter.

Donating Back to the Future at Schowalter Park

Schowalter Park holds a cherished place in the history of Saukville, the Schowalter family and Port Washington State Bank (PWSB). The story of the park dates back to 1899, when Jacob and Barbara Schowalter purchased a farm on this very land. Years later, in 1930, their son James acquired the

farm as a homestead for his wife Ludmilla and children, Ruth, Ronald and Robert. Ronald went on to become chairman of the board and majority owner of PWSB.

In 1985, Ron, along with wife Bette and mother Ludmilla, donated this land to create Schowalter Park. Ron's children—Steve, Mark, and Sally—and Steve's son James have carried on Ron's legacy at the bank and in the community by donating new playground equipment in honor of the bank's 125th anniversary in 2024. The reinvestment in Schowalter Park is a testament to the values that have guided PWSB for 125 years and counting: community, family, and dedication to community well-being.



From (L to R):
James Schowalter, Steve Schowalter,
Sally (Schowalter) Savatski and
Mark Schowalter.

Playground equipment featuring a double-slide and climbing wall structure are just beyond the new Schowalter Park sign that shares the park's history and recent improvements.





Bank's employees in July 2024. In the front row are the bank's family members and senior leaders. From left to right: Cooper Braun, Mark Schowalter, Sally Schowalter Savatski, Steve Schowalter, James Schowalter. Joel Dykstra and Stella Peduzzi.

EPILOGUE

It seems apparent that throughout our 125-year history of family ownership and leadership that there is a certain attraction if not a love of the banking industry. It appears to have been ingrained and inherited by each subsequent generation of management to the current day. Perhaps it is an overwhelming desire to make a difference in the lives of individuals, businesses, and certainly entire communities through the years.

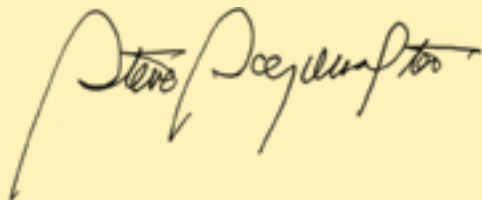
Community banking affords its staffs the ability to interact with an endless variety of consumer and business situations that bring a broad variety of satisfaction to what many people might regard as a mundane and even boring profession. Yet banking touches all aspects of our daily lives, and anyone would be hard pressed to deny they don't need some sort of financial help or instrument to manage their household or business.

Rare is the day in a bank that some previously unheard of or unique situation doesn't present itself that challenges us to step up and find a solution for that customer. Certainly, a banker faces some hard days and decisions, but by and large we are able, as an example, to enjoy the joys of financing a deserving family's first home and begin a lifelong relationship that hopefully transcends generations. Providing guidance and products that assist customers in planning for well-deserved retirement years is also a joy.

It's our people, however, that make us what we are today. There are hundreds of those that have come before in our 125-year history and played a significant part in making Port Washington State Bank the respected financial engine of Ozaukee County. My sincere thanks to all of our associates, past, present, and future...

Banking has evolved greatly over our 125-year span, from the horse and buggy times to the internet and artificial intelligence wonders of today. There continues to be significant consolidation in the industry, something that really wasn't apparent for perhaps our first 100 years. The competitive landscape is dynamic and shifting and what the future holds for the traditional independent community bank depends a great deal on the trust and support of the markets it serves. Regulations and capitalization requirements are substantial barriers to entry of new banks, so for those of us that remain there will always be a hard day's work but great satisfaction ahead for serving the wonderful people of Ozaukee County, Wisconsin.

On behalf of the Schowalter family, thank you for trusting us for generations. We look forward to keeping the vibrant relationships strong within the communities we serve as we look toward the future.



Steve Schowalter
Chairman/Chief Executive Officer



BOARD OF DIRECTORS

The History

A board of directors governs, supports and guides a company and helps it to stay true to its mission. Expertise and counsel given by directors contributes to the success of the company and communities it serves. Port Washington State Bank has been fortunate to have directors that have helped oversee its growth, success and stability over these past 125 years.

The Port Washington State Bank Board of Directors – 1899 to Present

- Clarence Hill**

8/25/1899 to 1/19/1948 Co-Founder, Cashier, President, Chairman of Port Washington State Bank. WBA 50-Year Club Member. WBA President 1937-1938.
- George E. Henry**

8/25/1899 to 1/12/1910 Co-Founder, President of Port Washington State Bank. Dentist, Investor.



1958 board (L to R): Ron Schowalter, Emil Biever, O. E. Moeser, C. Donald Hill, William Schanen, Adolph Ansay and Anna Ubbink.



1971 board (L to R): Otto Moeser, Anna Ubbink, Emil Biever, Adolph Ansay, Ron Schowalter, Tom Griesch, Frank Metz and Stephen Freeman.

Florence M. Henry **8/25/1899 to 1/10/1900** Wife of George Henry, temporary Director while the bank was being organized.

Harry W. Bolens **1/10/1900 to 10/8/1902** Wisconsin State Assemblyman, two-time Mayor of Port Washington, Editor of Port Washington Star, Principal in Bolens Manufacturing Company. Spanish American Civil War Veteran.



1979 board: Anna Ubbink, Adolph Ansay, Frank Metz, Ronald Schowalter, Dr. Stephen Freeman, Emil Biever, Steve Schowalter and Thomas Greisch.



1991 board (L to R): Mark Schowalter, Stephen Freeman, Frank Metz, Ron Schowalter, Steven Schowalter, Thomas Griesch, Adolph Ansay and Anna Ubbink.

- H.C. Boerner**

1/10/1903 to 11/12/1924 Vice President of Port Washington State Bank. Owner of Boerner Bros. Mercantile, once the largest such concern In Ozaukee County.
- Henry J. Adam**

1/12/1910 to 7/25/1920 Cashier of PWSB and later Cashier of the Citizens Bank of Belgium, acquired by Port Washington State Bank.
- O.E. Moeser**

7/28/1920 to 3/3/1972 One of the bank's longest serving Directors. Vice President of the Port Washington State Bank. President of The Wisconsin Chair Factory in Port Washington. WBA 50-Year Club Member.
- Norman Henze**

1/14/1925 to 8/10/1927 Cashier and Vice President of Port Washington State Bank. Later Became President of the First National Bank of Port Washington. WWI Veteran.

- C. Donald Hill** **1/13/1926 to 10/16/1964** Cashier, Vice President, President, Chairman of Port Washington State Bank. Second-generation owner. U.S. Naval Reserves in World War I.
- A.H. Kuhl** **1/13/1926 to 6/8/1932** Vice President of Port Washington State Bank. Owner of Kuhl's Ice Cream and Confectionary Store, City Treasurer, member of Wisconsin Dairy and Food Commission.
- William F. Schanen** **1/11/1928 to 11/19/1959** Noted Wisconsin Trial Attorney, in practice over 54 years.
- Emil P. Biever** **6/8/1932 to 5/13/1986** Partner in Biever Northside Appliance, started The Ben Franklin Store in Port Washington, also a Director and President of the Port Washington Building & Loan. WBA 50-Year Club Member.
- Arno Dix** **1/16/1950 to 6/8/1955** Cashier and Vice President of Port Washington State Bank. WWI Veteran.
- Adolph N. Ansay** **7/11/1955 to 9/5/1995** Vice President of Port Washington State Bank. Founder of A.N. Ansay & Associates now one of the largest independent insurance agencies in Wisconsin. County Board Supervisor, WBA 60-Year Club Member.



1999 board (L to R): Thomas Griesch, Steven Schowalter, Ron Schowalter, Mark Schowalter and Frank Metz.

Anna J. Ubbink

1/23/1956 to 4/20/1991 Cashier and Vice President of Port Washington State Bank. Founder of the Port Washington Historical Society and Judge Eghart Restoration. WBA 70-Year Club Member.

Ronald J. Schowalter

1/23/1956 to 12/15/2016 Vice President, President, Chairman of Port Washington State Bank, County Board Supervisor, Army Air Corps Veteran, WBA 70-Year Club Member. Chairman of Port Bancshares and third-generation owner.

William J. Niederkorn

2/8/1960 to 6/15/1976 Founder of Turner Mfg. and Simplicity Mfg. Company. Philanthropist.

Dr. Steven Freeman

1/19/1971 to 5/19/1992 Inventor, Scientist, founder of Freeman Chemical Corporation.

Thomas D. Greisch

1/19/1971 to 12/15/2016 Cashier, Vice President of Port Washington State Bank. WBA 60-Year Club Member. US Army.



2016 board (L to R): Andrew Petzold, James Schowalter, Steven Schowalter, Gary Maples, Mark Schowalter and John Armbruster.



2019 board (L to R): Mark, James and Steven Schowalter, Jeffrey Knorr, Gary Maples and John Armbruster.

Frank M. Metz

1/19/1971 to 12/15/2016 Controller, CFO, Trust Officer, Executive Vice President of Port Washington State Bank. CPA, Secretary/Treasurer of Simplicity Mfg. Corp.

Steven R. Schowalter

1/17/1979 to present Vice President, Sr. Vice President, President, CEO, Chairman of Port Washington State Bank, WBA Community Banker of the Year, WBA 50-Year Club Member. Fourth-generation owner.

Mark D. Schowalter

5/13/1986 to present Cashier, Vice President, Executive Vice President, COO of Port Washington State Bank. WBA 50-Year Club Member. Graduate School of Banking. Fourth-generation owner.

James S. Schowalter

1/20/2015 to present Vice President, Director of Retail Banking, Sr. Vice President, CCO, President, COO of Port Washington State Bank. Fifth-generation owner.



2024 board (L to R): John Armbruster, Mark, Steven and James Schowalter, Jeffrey Knorr and Manuel Rosado.

John Armbruster	12/15/2016 to 6/20/2024 Owner of Armbruster Jewelers, family owned since 1884.
Gary Maples	12/15/2016 to 7/31/2024 President of Riverside Consulting Group.
Andrew Petzold	12/15/2016 to 10/17/2017 Owner of Concord Development.
Jeffrey Knorr	11/21/2017 to present CPA, former partner in Hawkins & Ash Consulting.
Manuel Rosado	5/21/2024 to present Director and President of Spectrum Investment Advisors.

This is just a thumbnail description of Directors that have served the bank over the years. Not noted but worth mentioning is the community service that many in this group have given to non-profits, clubs and government positions.

ACKNOWLEDGEMENTS

The Schowalter family would like to extend our sincere appreciation to the following people that made this book possible:

To Jack Henke and his team at Henke and Associates – You have taken a thousand small stories and woven them into the story of our 125-year-old community bank. We will be forever grateful for your words, wisdom and dedication to this project.

To Mark Schowalter – A special thank you for being our family’s historian and the official bank historian. Your care in poring over records, newspaper articles, company history and documenting the facts and figures that frame our story is amazing. Thank you for what you do to preserve the history of this institution.

To Tarrah Beyer–VP of Marketing and Public Relations at PWSB – You continue to amaze us with your dedication and hard work to make our dreams come true. You listen, you laugh with us and you care so very much for this special place on Franklin Street. We are lucky to have you and we thank you sincerely for what you do and who you are.

To the employees and board members of PWSB, both past and present – Your work and care created the dream that my great-great-grandfather envisioned now 125+ years ago. We thank you for your contributions to the storied history of this important institution. Without you, there was no story to tell!

To our friends at Wild West Studios, thank you for bringing the images of our past and present to life.

To the many contributors within the book – Thank you for your kind words, your memories and thoughts that helped us frame the content that created this book. We value your contributions more than you know.

To the stockholders of PWSB – Thank you for your trust in our institution. We value your ownership and confidence in what we do and know that your faith helped create thousands of jobs and dreams realized for so many people of southeastern Wisconsin.

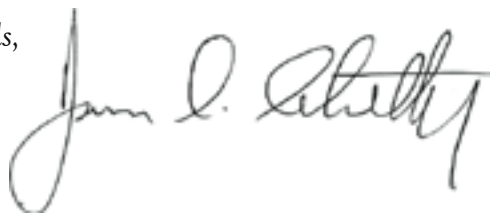
To our customers both past and present – Thank you for giving us the ability to serve you and know that the many generations of employees and owners were proud to do so. We always gave it our all and will do so well into the future. Thank you for believing in community banking...a vital part of our nation’s economy.

To our greater Ozaukee County Community – Thank you for letting us thrive in this special place in the middle of America’s Heartland. We love this community and we have loved getting to know the special places we call home over these past 125 years.

To the Schowalter Family – It is hard to summarize 125 years of our family and how far we have come. We’ve weathered bad times, thrived in good times and loved always. We love you all and all of you play a role in the success of our family but also in our success downtown on Franklin Street.

To my grandfather Ronald and Grandma Bette, my father Steve, and my uncle Mark – I want to say that it was a joy to organize and help create this book with you all. Your stories and your memories are now here for future generations to understand what this place we call PWSB has been to so many, and it will serve as a legacy for our family well into the future. I love you all more than you know.

Regards,



James S. Schowalter
President and Chief Operating Officer