



Twenty-seven years after beginning his career with Washington Financial Bank, Michael Chaido is now president and CEO.

WASHINGTON FINANCIAL TO SOON CELEBRATE 125 YEARS OF COMMUNITY BANKING

By Rick Shrum

Images Katherine Mansfield/*Observer-Reporter*

Quasquicentennial is a term rarely recognized by even the most accomplished grammarian and not easily pronounced by anyone. This is a one-word, 17-letter definition for a 125th anniversary, a milestone most public institutions do not reach.

A year and a half from now, Washington Financial Bank will be there.

Launched during the McKinley administration, the Washington-based bank will light 125 candles in 2024, its quasquicentennial year. The institution is “the largest locally owned and managed financial institution in Washington County,” according to its website washfin.bank. It is the only bank headquartered in the city where banks once flourished.

“We were founded in 1899 as the Industrial Building & Loan Association of Washington,” said Michael Chaido, president and CEO. “What truly makes this a Washington story is there were a number of banks in the city years ago. I don’t know if it’s good or bad, but we’re the only one left.”

Lasting another 125 years is ambitious, but Washington Financial embraces the challenge. The bank says on its website it is coming off a record-setting fiscal year, which ended June 30, 2022. The bank listed total assets of \$1.56 billion and new highs in net income and deposit growth.

The bank, again, earned a 5-star rating from Bauer Financial – the highest designation from that premier financial ratings agency.

Chaido, elevated from interim to full-time president/CEO in December following the November passing of Brian Smith, says stability and loyalty among employees are two additional assets that have served Washington Financial well for decades. In a previous interview with the *Observer-Reporter*, he compared the bank’s stability to that of the Pittsburgh Steelers, who have had just three head coaches since 1969.

Washington Financial has had just four presidents since 1967, “including me,” Chaido said. “Look at the turnover at other companies.”

He said recently that the bank “has not had any problems hiring” and had but three openings out of 190 positions. “We’re lucky. We have longevity. People have been here 20, 40, 50 years. If you’ve worked here 10 years, you’re a rookie. We think we’re honest with people. Like any workforce, we’re like a big dysfunctional family. We set the expectation that it should be a worthwhile experience here.”

Betty Guerrieri, a 38-year employee, is well aware of that stability. “It’s a wonderful place to be, especially if you have

family,” said Guerrieri, vice president of marketing and public relations manager. “We continue to be a stable force.”

Chaido, however, acknowledges that to remain strong, Washington Financial has to adapt with the times. In this digital age, a customer may prefer to take care of business online or from inside a vehicle instead of walking into a branch location to complete a transaction. These options have enabled some banking companies to cut costs by consolidating branches.

The organization is striving for a middle ground. “The business model keeps changing, and it’s driven by external forces,” Chaido said. “We have to invest in technology and accommodate people who don’t want traditional banking. Yet we have to deliver services at traditional branches. We have to figure out how people want to bank with us.

“Will we be adding branches? Probably not. But we still need to have them. We had a Burgettstown office that closed late last year, but I don’t see us closing any more branches.” As of early March, Washington Financial had 10 branch locations – nine in Washington County and one in South Fayette Township.

The bank also reaches out to communities with its Washington Financial Charitable Foundation, a nonprofit funded solely by Washington Financial. The bank and foundation, together, have reinvested millions of dollars into the local area.

Washington Financial is not the only venerable financial institution in the region, to be sure. Community Bank opened a mere 20 months after – on July 1, 1901 – in Carmichaels. Community Bank is a wholly owned subsidiary of CB Financial Services Inc., both of which have their main corporate offices in the Greene County borough. Community Bank has 12 locations in Southwestern Pennsylvania and three in West Virginia.

These two institutions are community banks – lowercase – in nature. Yet they coexist.

“Both of us have the culture of a community bank,” Chaido said. “It is very rare to have two community banks this close together. I may compete against them, but we need Community Bank, and they need us. These are community-phased towns.”

Changes will occur, but tradition will remain a sturdy foundation at Washington Financial. Elements of that foundation are preserved inside the offices along North Main Street. They feature memorabilia that Chaido calls a collection of “amazingly good archives.”

There is Industrial Building & Loan’s original application to be a bank. “It was sent out in October 1899, and we got the approval in three weeks,” Chaido said, laughing. “That was more than 100 years ago. Now, even with email, it would take six weeks to get approval.”

The archives also include the first mortgage issued there, in January 1900, and treasurer’s check No. 1 for the Campbell family for \$7.40.

Washington Financial has blossomed over the past century-plus, and its top official attributes a considerable measure of that growth to the cooperation the bank has received from other businesses, and residents, in the region. He specifically cited Congressman Ernest Acheson, owner of a newspaper that evolved into the *Observer-Reporter*. Acheson was one of ten founding board members of the bank.

“Our businesses grew up together,” he said. “We were founded by people from the paper.”

Michael Chaido began his career with Washington Financial Bank in 1996 and has never worked elsewhere.

