



ANNUAL  
REPORT 2013



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## FOR THE YEAR

	2013	2012	% Change
Interest Income	<b>\$71,416</b>	\$68,129	4.8%
Interest Expense	<b>12,212</b>	14,920	( 18.2%)
Net Interest Income	<b>59,204</b>	53,209	11.3%
Non-interest Income	<b>13,766</b>	12,664	8.7%
Non-interest Expense	<b>43,813</b>	35,945	21.9%
Net Income	<b>16,679</b>	17,136	(2.7%)
<b>Net Income Return on:</b>			
Average Assets	<b>0.88%</b>	1.00%	(12.0%)
Average Equity	<b>11.38%</b>	12.17%	(6.5%)

## AT YEAR END

Assets	<b>\$2,131,289</b>	\$1,773,079	20.2%
Loans, net of unearned	<b>1,295,363</b>	927,824	39.6%
Deposits	<b>1,835,314</b>	1,485,003	23.6%
Shareholders' Equity	<b>164,911</b>	145,364	13.4%
Trust Assets Under Management <i>(at market value)</i>	<b>422,366</b>	387,446	9.0%

## PER SHARE DATA

Net Income, diluted	<b>\$1.29</b>	\$1.38	(6.5%)
Dividends	<b>0.66</b>	0.66	0.0%
Book Value	<b>11.43</b>	11.65	(1.9%)
Market Value	<b>19.00</b>	16.38	16.0%

# MESSAGE TO THE SHAREHOLDERS

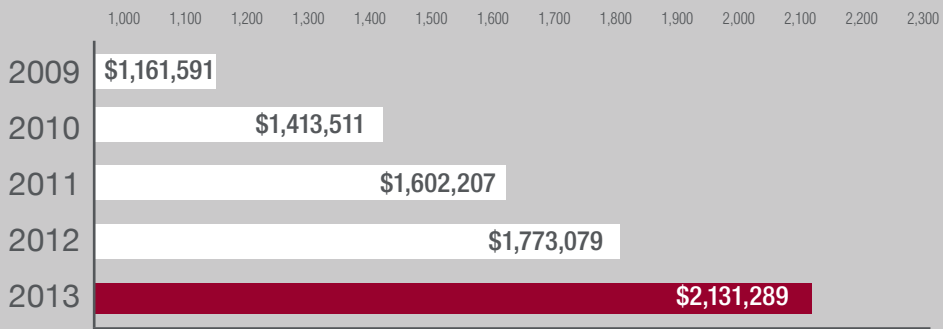
## **To Our Shareholders, Customers, Employees & Friends:**

2013 marked another first for CNB Financial Corporation. CNB is now operating in the state of Ohio as a result of its merger with The Farmers Citizens Bank and its parent company, FC Banc Corp., headquartered in Bucyrus, Ohio, on October 11, 2013. CNB added \$360 million in assets and eight offices located in two distinct markets. The new markets will provide fresh opportunities for agricultural lending in the rural market, as well as business development opportunities in our first major metropolitan area, Columbus, Ohio. CNB's strategy has been to grow organically in our markets with quality bankers from that market or to create a de novo presence in markets that fit our business model. This merger provided an opportunity to gain entry in Ohio and leverage the expertise of the employees of The Farmers Citizens Bank, now FCBank, to continue growing organically in the new markets.

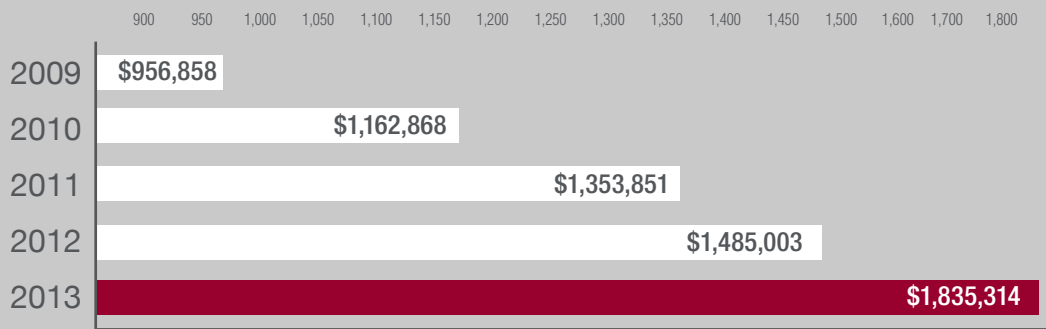
In 2013, excluding the acquired assets and liabilities, loans for CNB grew 13% while deposits did not change significantly from 2012. Pre-tax net income, excluding merger related expenses and gain on sale of securities, increased 13%, an indication that the growth in core earnings remains strong, with even greater opportunities for growth as a result of the merger.

Earnings for 2013 were positive even with the merger costs included. CNB's return on average equity was 11.38% and earnings per share was \$1.29. As previously announced, the merger is expected to be accretive to earnings during 2014. In addition, the change in asset composition from investments to loans should provide us with a much improved loan to deposit ratio and an enhanced net interest margin and earnings.

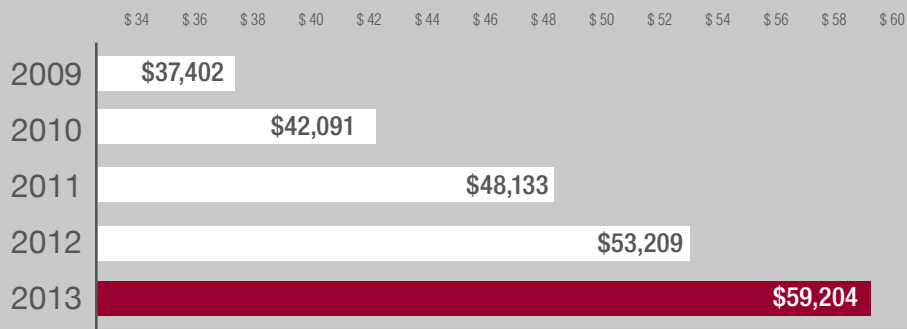
## ASSET GROWTH (in thousands)



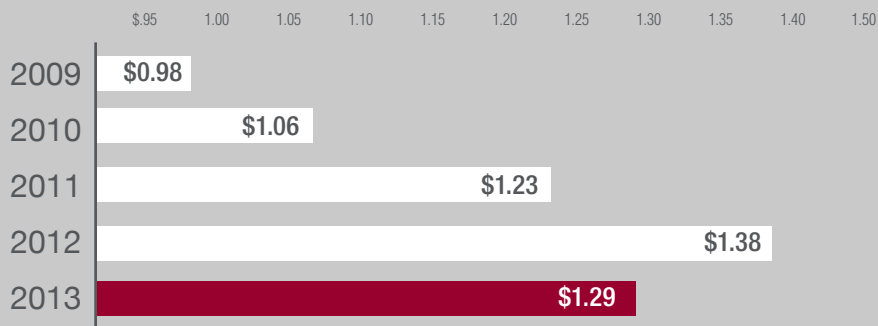
## DEPOSIT GROWTH (in thousands)



## NET INTEREST INCOME (in thousands)



## EARNINGS PER SHARE (fully diluted)



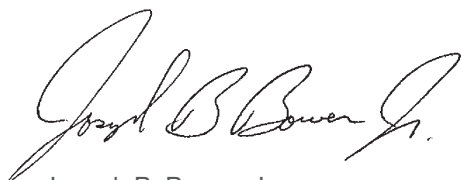
## Message to the Shareholders continued...

A key focus for all financial companies is the quality of their assets. CNB has a long history of high asset quality, with its loan metrics continuing to be strong and improving. CNB's ratio of non-performing assets to total assets improved to 0.61% in 2013 from 0.85% in 2012 and its charge-offs as a percentage of average loans at decreased from 0.55% in 2012 to 0.38% in 2013. The loan portfolio mix of Commercial & Industrial, Commercial Real Estate and Residential Real Estate provides for good diversity in the portfolio. With the new markets and a chance to grow the agricultural portfolio, the lending portfolio diversification will also be enhanced by greater geographical diversity.

The merger with The Farmers Citizens Bank was our major highlight for 2013 but was not our only significant event. Throughout 2013, the major expansion of our main office in Clearfield has been underway. At the writing of last year's letter, we expected to open the facility in the fourth quarter of 2013. Although the date of the opening was delayed until March of 2014, the expanded office will be fully operational at the time of this year's annual meeting. The office will have the open floor plan first used in ERIE-BANK which provides the customer with a more inviting approach to banking. During 2013, we also upgraded our Indiana, PA loan production office to a full service location in order to better serve that market. Finally, Holiday Financial Services opened a new location in Indiana, PA in 2013 while relocating both the Ebensburg and Bellefonte stores to locations that are more convenient to our customers.

Charles H. Reams retired from our Board of Directors in January 2014. Chuck served for seven years as a Director of the Corporation and CNB Bank. Chuck was very instrumental in CNB gaining entry in the Erie market and with the formation and success of ERIEBANK. Chuck played a crucial role on our ERIEBANK advisory board since its founding and will remain a member of the advisory board. On behalf of the Board and Management, I would like to thank Chuck for his years of service and wish him well in all of his future endeavors.

As always, we are proud to report CNB Financial Corporation's 2013 results. We thank you for your continued ownership in CNB and look forward to another prosperous year in 2014.



Joseph B. Bower, Jr.

President and Chief Executive Officer

# EXECUTIVE MANAGEMENT & BOARD OF DIRECTORS

## Corporate Officers, CNB Financial Corporation

**Joseph B. Bower, Jr.**  
*President & Chief Executive Officer*

**Richard L. Greslick, Jr.**  
*Secretary*

**Brian W. Wingard**  
*Treasurer & Principal Financial Officer*

**Vincent C. Turiano**  
*Assistant Secretary*

## Executive Officers, CNB Bank

**Joseph B. Bower, Jr.**  
*President & Chief Executive Officer*

**Mark D. Breakey**  
*Executive Vice President &  
Chief Credit Officer*

**Richard L. Greslick, Jr.**  
*Executive Vice President, Chief  
Operating Officer*

**Brian W. Wingard**  
*Senior Vice President & Chief Financial  
Officer*

**Mary Ann Conaway**  
*Senior Vice President, Human  
Resources*

**Joseph E. Dell, Jr.**  
*Senior Vice President & Chief  
Lending Officer*

**Leanne D. Kassab**  
*Senior Vice President, Marketing*

**Vincent C. Turiano**  
*Senior Vice President, Operations*

## Board of Directors

*CNB Financial Corporation and CNB Bank*

**Dennis L. Merrey**  
*Chairman of the Board  
Retired, Formerly President,  
Clearfield Powdered Metals, Inc.  
(Manufacturer)*

**Joseph B. Bower, Jr.**  
*President and Chief Executive  
Officer, CNB Financial Corporation;  
President and Chief Executive  
Officer, CNB Bank*

**William F. Falger**  
*Retired, Formerly President and  
Chief Executive Officer, CNB  
Financial Corporation, CNB Bank*

**Richard L. Greslick, Jr.**  
*Executive Vice President & Chief  
Operating Officer, CNB Bank;  
Secretary, CNB Financial Corporation*

**Robert D. Hord**  
*President of Hord Livestock Company,  
Inc. (Agriculture)*

**Robert W. Montler**  
*President & Chief Executive Officer,  
Lee Industries and Keystone Process  
Equipment (Manufacturer)*

**Joel E. Peterson**  
*President, Clearfield Wholesale Paper  
(Wholesaler)*

**Deborah Dick Pontzer**  
*Economic Development and Workforce  
Specialist, Office of Congressman  
Glenn Thompson*

**Jeffrey S. Powell**  
*President, J.J. Powell, Inc. (Petroleum  
Distributor)*

**James B. Ryan**  
*Retired, Formerly Vice President of  
Sales, Marketing, Windfall Products,  
Inc. (Manufacturer)*

**Nick Scott, Jr.**  
*Vice President & Owner, Scott  
Enterprises (Hospitality Industry)*

**Richard B. Seager**  
*President and Chief Executive Officer,  
Beacon Light Behavioral Health  
Systems (Health Services)*

**Peter F. Smith**  
*Attorney at Law*

**DIRECTOR EMERITUS**

**L. E. Soult, Jr.**



# OFFICERS

## Administrative Services

**Timothy A. Bracken**

*Vice President, Controller*

**Edward H. Proud**

*Vice President, Information Systems*

**Susan M. Warrick**

*Vice President, Operations*

**Thomas J. Ammerman, Jr.**

*Assistant Vice President, Security*

**Donna J. Collins**

*Assistant Vice President,  
Compliance*

## Branch Division

**Ruth Anne Ryan-Catalano**

*Vice President, Regional Branch  
Administration, Industrial Park Road  
Office, Clearfield*

**Vickie L. Baker**

*Assistant Vice President, Regional  
Branch Administration, Bradford Main  
Street Office*

**Mary A. Baker**

*Assistant Vice President, Northern  
Cambria Office*

**Lori Curtis**

*Community Office Manager, Plaza  
Office, Philipsburg*

## Lending Division

**Jeffrey W. Alabran**

*Senior Vice President, Commercial  
Banking, Indiana*

**Gregory M. Dixon**

*Vice President, Commercial Banking,  
Clearfield*

**Michael E. Haines**

*Vice President, Commercial Banking,  
St. Marys*

**Robin L. Hay**

*Vice President, Commercial Banking,  
Clearfield*

**Karen R. Pflugstler**

*Vice President, Commercial Banking,  
DuBois*

## Wealth & Asset Management Services

**Craig C. Ball**

*Vice President, Wealth & Asset  
Management*

**Glenn R. Pentz**

*Vice President, Wealth & Asset  
Management*

**Andrew Roman**

*Vice President, Wealth & Asset  
Management*

**Shannon L. Irwin**

*Assistant Vice President, Human  
Resources*

**Carolyn B. Smeal**

*Assistant Vice President, Operations*

**Becky Coleman**

*Operations Officer*

**Carol J. Cossick**

*Assistant Controller*

**Thomas W. Grice**

*Network Administration Officer*

**Denise J. Greene**

*Community Office Manager,  
DuBois Office*

**Lynette Hebel**

*Community Office Manager, Karthaus  
and Kylertown Offices*

**Caroline Henry**

*Community Office Manager,  
Presqueisle Street Office, Philipsburg*

**Douglas M. Shaffer**

*Community Office Manager,  
Punxsutawney Office*

**Lori D. Shimel**

*Community Office Manager,  
Houtzdale and Madera Offices*

**Michael C. Sutika**

*Vice President, Commercial Banking,  
Clearfield*

**Joseph H. Yaros**

*Vice President, Commercial Banking,  
Bradford*

**David W. Ogden**

*Vice President, Credit Administration*

**Christopher L. Stott**

*Vice President, Retail Lending*

**C. Brett Stewart**

*Assistant Vice President, Commercial  
Banking, Indiana*

**Calvin R. Thomas, Jr.**

*Vice President, Wealth & Asset  
Management*

**Shawn Ambold**

*Assistant Vice President, Wealth &  
Asset Management*

**Susan B. Kurtz**

*Customer Service Officer*

**Dennis J. Sloppy**

*Information Systems Officer*

**B.J. Sterndale**

*Training Officer*

**Brenda L. Terry**

*Banking Officer*

**Susan J. Shimmel**

*Community Office Manager,  
Old Town Road Office, Clearfield*

**Pam Synder**

*Community Office Manager, Kane  
Office*

**Larry A. Putt**

*Banking Officer, Clearfield*

**Nadine J. Rodgers**

*Banking Officer, Indiana*

**Mary Ann Roney**

*Banking Officer, Bradford*

**Gregory R. Williams**

*Banking Officer, Clearfield*

**Eileen F. Ryan**

*Assistant Vice President, Mortgage  
Lending*

**Russell Daniels**

*Assistant Commercial Lending Officer,  
St. Marys*

**James C. Davidson**

*Mortgage Lending Officer, Philipsburg*

**Autumn F. Farley**

*Commercial Loan Portfolio Manager &  
Support Lending Officer*

**Cory Johnston**

*Credit Administration Officer*

**Paul A. McDermott**

*Collections Officer*

**Eric A. Johnson**

*Assistant Vice President, Wealth &  
Asset Management*

**R. Michael Love**

*Assistant Vice President, Wealth &  
Asset Management*

# OFFICERS & AFFILIATES

## *ERIEBANK, a Division of CNB Bank*

**David J. Zimmer**

*President*

**Scott Bailey**

*Senior Vice President,  
ERIEBANK Investment Advisors*

**Steven M. Cappellino**

*Senior Vice President, Commercial  
Banking, Meadville Office*

**Donald W. Damon**

*Senior Vice President, Private Banking*

**William L. DeLuca, Jr.**

*Senior Vice President, Commercial  
Banking*

**Betsy Bort**

*Vice President, Commercial Banking*

**Scott O. Calhoun**

*Vice President, Commercial Banking*

**Kristen L. Ludwig**

*Vice President, Commercial Banking*

**Larry Morton**

*Vice President, ERIEBANK Investment  
Advisors*

**John M. Schulze**

*Vice President, Commercial Banking*

**William J. Vitron, Jr.**

*Vice President, ERIEBANK Investment  
Advisors*

**Carla M. LaBoda**

*Assistant Vice President, Commercial  
Banking*

**Gregory Noon**

*Assistant Vice President, Commercial  
Banking, Warren*

**Paul D. Sallie**

*Assistant Vice President, Private  
Banking*

**Katie J. Jones**

*Regional Retail Administrator,  
Community Office Manager,  
Harborcreek Office*

**Andrea G. Carr**

*Community Office Manager,  
Downtown Erie Office*

**Debra Masone**

*Community Office Manager,  
Vernon Township Office*

**Helicia E. Sonney**

*Community Office Manager,  
Asbury Road Office*

**Theresa L. Swanson**

*Community Office Manager,  
Warren Office*

**Mary J. Taormina**

*Community Office Manager,  
Meadville Office*

**Abby L. Williams**

*Community Office Manager,  
Interchange Office*

**Kelly S. Buck**

*Private Banking Officer*

**Allison Hodas**

*Cash Management Officer*

**Julie L. Martin**

*Operations Officer*

**James Miale**

*Commercial Lending Officer*

**Timothy Roberts**

*Commercial Lending Officer*

## *ERIEBANK Regional Board of Directors*

**Joseph B. Bower, Jr.**

*President and Chief Executive Officer,  
CNB Financial Corporation, CNB Bank*

**Mark D. Breakey**

*Executive Vice President & Chief Credit  
Officer, CNB Bank*

**Gary L. Clark**

*Vice President, Chief Financial Officer  
and Chief Administrative Officer,  
Snap-tite, Inc. (Manufacturer)*

**David K. Galey**

*Treasurer, Chief Financial Officer,  
Greenleaf Corporation (Manufacturer)*

**James E. Gehrlein**

*Chief Financial Officer, Sisters of St.  
Joseph of NW PA (Finance)*

**Richard L. Greslick, Jr.**

*Executive Vice President and Chief  
Operating Officer, CNB Bank;  
Secretary, CNB Financial Corporation*

**Charles Hagerty**

*President, Hamot Health Foundation  
(Health Services)*

**Thomas Kennedy**

*President, Professional Development  
Associates, Inc. (Real Estate developer)*

**Charles H. Reams**

*President, C. H. Reams & Associates,  
Inc. (Insurance)*

**Nick Scott, Jr.**

*Vice President & Owner, Scott  
Enterprises (Hospitality Industry)*

**James E. Spoden**

*Esquire, MacDonald Illig Jones &  
Britton, LLP (Law office)*

**David J. Zimmer**

*President, ERIEBANK*

### **FCBank, a Division of CNB Bank**

**J. Andrew Dale**

*Interim President*

**Louis J. Torchio**

*Senior Vice President, Private Banking*

**Terrance E. Hamm**

*Vice President, Commercial Banking*

**Donna M. Conley**

*Assistant Vice President, Lending*

**Elizabeth M. Ricketts**

*Assistant Vice President, Regional Branch Administration*

**Annette D. Lester**

*Community Office Manager, Cardington Office*

**Clara J. McClung**

*Community Office Manager, Worthington Office*

**Brian A. McFarland**

*Community Office Manager, Upper Arlington Office*

**Elaine M. Wilson**

*Community Office Manager, Fredericktown Office*

**Teri A. Slate**

*Community Office Manager, Shiloh Office*

**Brian C. Bach**

*Agriculture Loan Officer*

**Jared Butler**

*Network Administrator, Facilities Officer*

**William R. Diehl**

*Banking Officer, Dublin Office*

**Jennifer S. Gingery**

*Operations Officer*

**Michelle P. Muchow**

*Banking Officer, Bucyrus North Office*

**Toni M. Ridge**

*Banking Officer, Bucyrus North Office*

**Jason M. Shade**

*Banking Officer, Bucyrus North Office*

**Travis M. Smith**

*Operations Officer*

**Ashley Snyder**

*Agricultural Lending Officer*

### **FCBank, Regional Board of Directors**

**Joseph B. Bower, Jr.**

*President and Chief Executive Officer, CNB Financial Corporation, CNB Bank*

**Mark D. Breakey**

*Executive Vice President & Chief Credit Officer, CNB Bank*

**David G. Dostal**

*President, The Auck Dostal Agency, Inc., Vice President, ADM Benefit Plans, Inc. (Insurance)*

**Patrick J. Drouhard**

*Retired, Superintendent, Cardington-Lincoln School District (Education)*

**Scott Everhart**

*President and CEO, Everhart Advisors (Investments)*

**Richard L. Greslick, Jr.**

*Executive Vice President and Chief Operating Officer, CNB Bank; Secretary, CNB Financial Corporation*

**Robert D. Hord**

*President, Hord Livestock, Inc. (Agriculture)*

**Patrick Hord**

*CEO, Hord Livestock, Inc. (Agriculture)*

**Lawrence A. Morrison**

*CPA and Partner, Kleshinski, Morrison & Morris, LLP (Accounting)*

**J. Andrew Dale**

*Interim President*

### **Holiday Financial Services Corporation, a Subsidiary of CNB Financial Corporation**

**BOARD OF DIRECTORS**

**Joseph B. Bower, Jr.**

*Chairman*

**Richard L. Greslick, Jr.**

*Secretary*

**Christopher L. Stott**

*Director*

**Brian W. Wingard**

*Director*

**CORPORATE OFFICERS**

**Christopher L. Stott**

*Chairman*

**Joseph P. Strouse**

*President*

### **CNB Securities Corporation, a Subsidiary of CNB Financial Corporation, Wilmington, DE**

**BOARD OF DIRECTORS**

**Timothy A. Bracken**

*Director*

**Glenn R. Pentz**

*Director*

**Donald R. McLamb, Jr.**

*Wilmington Trust SP Services, Inc.*

**CORPORATE OFFICERS**

**Brian W. Wingard**

*President*

**Donald R. McLamb, Jr.**

*Treasurer, Wilmington Trust SP Services, Inc.*

**Elizabeth F. Bothner**

*Secretary, Wilmington Trust SP Services, Inc.*

# SHAREHOLDER INFORMATION

## Annual Meeting

The Annual Meeting of the Shareholders of CNB Financial Corporation will be held Tuesday, April 15, 2014 at 2:00 p.m. at the Corporation's Headquarters in Clearfield, PA.

## Corporate Address

CNB Financial Corporation  
1 S. Second Street  
P.O. Box 42  
Clearfield, PA 16830  
(814) 765-9621

## Stock Transfer Agent & Registrar

Registrar and Transfer Company  
10 Commerce Drive  
Cranford, NJ 07016  
(800) 368-5948  
[www.rtco.com](http://www.rtco.com)

## Form 10-K

Shareholders may obtain a copy of the Annual Report to the Securities and Exchange Commission on Form 10-K by writing to:

CNB Financial Corporation  
1 S. Second Street  
P.O. Box 42  
Clearfield, PA 16830  
ATTN: Shareholder Relations

## Quarterly Share Data

For information regarding the Corporation's quarterly share data, please refer to Item 5 in the 2013 Form 10-K.

## Market Makers

The following firm has chosen to make a market in the stock of the Corporation. Inquiries concerning their services should be directed to:

Boenning & Scattergood, Inc.  
1700 Market Street, Ste 1420  
Philadelphia, PA 19103  
(800) 842-8928

# SHAREHOLDER INFORMATION

## Corporate Profile

CNB Financial Corporation is a leader in providing integrated financial solutions which create value for both consumers and businesses. These solutions encompass checking, savings, time and deposit accounts, Private Banking, loans and lines of credit (real estate, commercial, industrial, residential and consumer), credit cards, cash management, on-line banking, mobile banking, merchant credit card processing, on-site banker and accounts receivable handling. In addition, the Corporation provides wealth and asset management services, retirement plans and other employee benefit plans.

## CNB Bank

A subsidiary of CNB Financial Corporation, CNB is a regional independent community bank in North Central Pennsylvania with approximately 400 employees who make customer service more responsive and reliable. For over 145 years, the Bank has strived to be more customer-driven than its competitors and to build long-term customer relationships by being reliable and competitively priced.

CNB continually seeks innovative ways to execute a personal, quality-driven customer service strategy and prides itself being first-to-market for many of these innovations. To satisfy customers' financial needs and expectations, it offers a variety of delivery channels, which includes 22 full-service offices, 19 ATMs, telephone banking (1-866-224-7314), Internet banking ([www.bankcnb.com](http://www.bankcnb.com)), mobile banking, and a centralized customer service center (1-800-492-3221).

## ERIEBANK

Headquartered in Erie, Pennsylvania, ERIEBANK is a division of CNB Bank. Presently, there are a total of seven full service offices which house its commercial, retail and Private Banking divisions. Four of those offices are in Erie, two in Meadville, and one in Warren, Pennsylvania. In addition, ERIEBANK Investment Advisors provides wealth and asset management services, retirement plans and other employee benefit plans.

## FCBANK

FCBank, a division of CNB Bank, is headquartered in Bucyrus, Ohio with eight full service offices in the communities of Bucyrus, Shiloh, Mt. Hope, Cardington, Fredericktown, Worthington and Upper Arlington, and one loan production office in Dublin, Ohio. FCBank is driven by a strong focus on meeting the financial needs of businesses and individuals in a way only a community bank can deliver. FCBank offers commercial, retail, and Private Banking services.

## Holiday Financial Services

Holiday Financial Services, a subsidiary of CNB Financial Corporation, is a consumer loan company, currently has eleven conveniently located offices in State College, Bradford, Clearfield, Hollidaysburg, Erie, Northern Cambria, Ridgway, Johnstown, Ebensburg, DuBois and Indiana, Pennsylvania.



The common stock of the Corporation trades on the NASDAQ National Market under the symbol CCNE.





CNB Financial Corporation  
1 South Second Street – P.O. Box 42  
Clearfield, PA 16830  
800-492-3221  
[www.BankCNB.com](http://www.BankCNB.com)