



**Quarterly
Report**

**Q3
2024**

FINANCIALS



Financial Performance:

Net income increased by \$175,000, or 111.46%, to \$332,000 for the three months ended September 30, 2024 from \$157,000 for the three months ended September 30, 2023 due primarily to an increase in interest income and a decrease in the provision for credit losses in the current quarter. Earnings per share basic increased \$0.10 for the three months ended September 30, 2024, to \$0.19, from \$0.09 for the three months ended September 30, 2023.

Interest and fee income increased by \$531,000, or 18.42%, to \$3.4 million for the three months ended September 30, 2024 from \$2.9 million for the three months ended September 30, 2023 as a result of an increase in the average balance of loans and an increase in the average yield on loans. The average balance of loans increased \$18.9 million or 10.11%, from \$186.6 million for the three months ended September 30, 2023 to \$205.5 million for the three months ended September 30, 2024.

Interest expense increased by \$402,000, or 43.51%, to \$1.3 million for the three months ended September 30, 2024 from \$924,000 for the three months ended September 30, 2023. Interest expense increased due to the high-interest rate environment as the cost of deposits increased and an increase in borrowings.

Noninterest income increased \$159,000, or 42.74%, to \$531,000 for the three months ended September 30, 2024 from \$372,000 for the three months ended September 30, 2023. The increase in noninterest income was due to an increase in income from financial services. Income from financial services increased \$111,000, or 83.46%, to \$244,000 for the three months ended September 30, 2024 from \$133,000 for the three months ended September 30, 2023. Income from financial services increased due to a rise in asset values and the purchase of a retirement book of business.

Noninterest expense increased \$171,000, or 8.25%, to \$2.2 million for the three months ended September 30, 2024 from \$2.1 million for the three months ended September 30, 2023. The increase in noninterest expense was primarily due to increases in compensation and employee benefits expense and core processing expense. Compensation and employee benefits expense increased \$90,000, or 7.92%, to \$1.2 million for the three months ended September 30, 2024 from \$1.1 million for the three months ended September 30, 2023. Compensation and employee benefits expense increased as we added a commercial lender, director of human resources, a credit analyst and a marketing team.





Financial Performance Q3 2024 Continued

Core processing expense increased \$31,000, or 8.64%, to \$390,000 for the three months ended September 30, 2024 from \$359,000 for the three months ended September 30, 2023. Core processing expense increased as we created efficiencies through adding software and enhancing our customers' digital experience.

The provision for credit losses decreased \$75,000 during the three months ended September 30, 2024, as compared to the same period last year. The provision for credit losses decreased as asset quality remains strong.

Total assets increased \$19.5 million, or 7.82%, to \$268.7 million at September 30, 2024 from \$249.2 million at September 30, 2023. The increase in assets was mostly due to an increase in gross loans. Gross loans increased \$11.8 million, or 6.11%, to \$204.5 million at September 30, 2024 from \$192.7 million at September 30, 2023. The growth in our loans was due to increases in consumer loans and commercial real estate loans. Consumer loans increased \$2.1 million, or 54.83%, to \$5.8 million at September 30, 2024 from \$3.7 million at September 30, 2023. Commercial real estate loans increased \$6.5 million, or 13.85%, to \$53.4 million at September 30, 2024 from \$46.9 million at September 30, 2023. Total loans past-due over thirty days increased \$58,000 or 2.43% to \$2.4 million at September 30, 2024. Non-performing loans increased to \$223,000 at September 30, 2024 from \$51,000 at September 30, 2023.

Interest-bearing deposits increased \$7.8 million, or 4.82%, to \$169.0 million at September 30, 2024 from \$161.2 million at September 30, 2023. The increase in interest-bearing deposits was a result of increases in MMDA and certificate of deposit accounts. Total noninterest-bearing deposits increased \$4.4 million, or 14.96%, to \$33.7 million at September 30, 2024 from \$29.3 million at September 30, 2023.

Total stockholders' equity increased \$2.6 million, or 12.02%, to \$23.8 million at September 30, 2024 from \$21.3 million at September 30, 2023 due to the increase in retained earnings and a decrease in accumulated other comprehensive loss.



Financials Q3 2024

Selected Income Statement Data

(Dollars in thousands except per share data, unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Interest Income	\$ 3,413	\$ 2,883	\$ 9,889	\$ 8,294
Interest Expense	1,325	924	3,935	2,492
Net Interest Income	2,088	1,959	5,954	5,802
Provision for Credit Losses	-	75	15	225
Net Interest Income after Provision for Credit Losses	2,088	1,884	5,939	5,577
Noninterest Income	531	372	1,406	995
Noninterest Expense	2,243	2,072	6,637	5,908
Income before Income Taxes	376	184	708	664
Income Taxes	44	27	94	110
Net Income	\$ 332	\$ 157	\$ 614	\$ 554
Income per Common Share-Basic	\$ 0.19	\$ 0.09	\$ 0.34	\$ 0.31
Income per Common Share-Dilutive	\$ 0.19	\$ 0.09	\$ 0.34	\$ 0.31
Weighted Average Share-Basic	1,785,195	1,806,050	1,785,195	1,806,050
Weighted Average Share-Dilutive	1,791,431	1,812,278	1,791,431	1,812,278

Selected Financial Statement Data

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Cash and Cash Equivalents	\$ 7,148	\$ 6,338	\$ 10,580	\$ 3,920	\$ 5,378
Securities, Available-for-Sale	35,275	34,680	34,792	35,440	34,377
Gross Loans	204,513	206,600	199,030	198,502	192,728
Allowance for Loan Losses	(2,060)	(2,098)	(2,099)	(2,045)	(2,042)
Other Assets	23,791	21,616	21,047	20,908	18,751
Total Assets	\$ 268,667	\$ 267,136	\$ 263,350	\$ 256,725	\$ 249,192

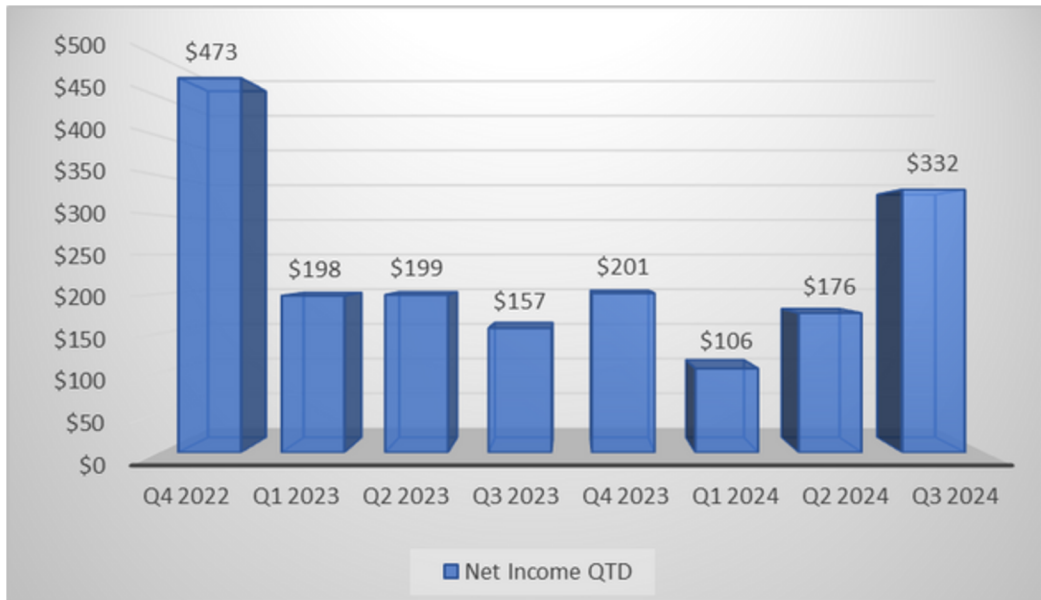
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Noninterest-Bearing Deposits	\$ 33,735	\$ 32,236	\$ 29,330	\$ 29,557	\$ 29,345
Interest-Bearing Deposits	168,963	170,878	173,566	164,156	161,201
Total Deposits	202,698	203,114	202,896	193,713	190,546
FHLB Advances	38,195	38,195	33,000	35,500	33,500
Other Liabilities	3,938	3,047	4,837	4,863	3,867
Total Stockholders' Equity	23,836	22,780	22,617	22,649	21,279
Total Liabilities and Stockholders' Equity	\$ 268,667	\$ 267,136	\$ 263,350	\$ 256,725	\$ 249,192

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Total Loans over 30 days Past Due	\$ 2,446	\$ 2,128	\$ 2,183	\$ 2,295	\$ 2,388
Total Non-Performing Loans	\$ 274	\$ 62	\$ 510	\$ 416	\$ 51
Other Real Estate Owned and Repossessed Assets	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance for Loan Losses to total Loans	1.01%	1.02%	1.05%	1.05%	1.03%
Total Non-Performing Loans to total Loans	0.13%	0.03%	0.26%	0.21%	0.03%
Non-Performing Assets to total Assets	0.44%	0.38%	0.56%	0.52%	0.39%

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Return on Average Assets	0.50%	0.26%	0.31%	0.30%
Return on Average Equity	5.98%	3.01%	3.69%	3.52%
Tier 1 Capital Ratio	9.87%	10.76%	9.87%	10.76%
Net Interest Margin	3.28%	3.33%	3.32%	3.32%
Efficiency Ratio	85.64%	88.89%	90.18%	86.92%

Financials Q3 2024

NET INCOME QTD

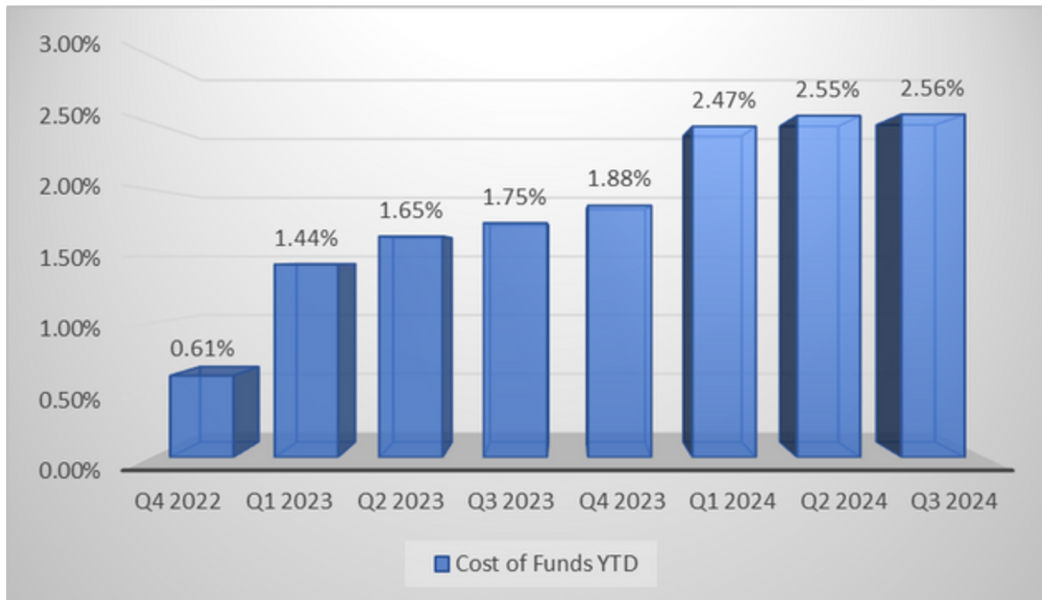


NET INTEREST MARGIN YTD

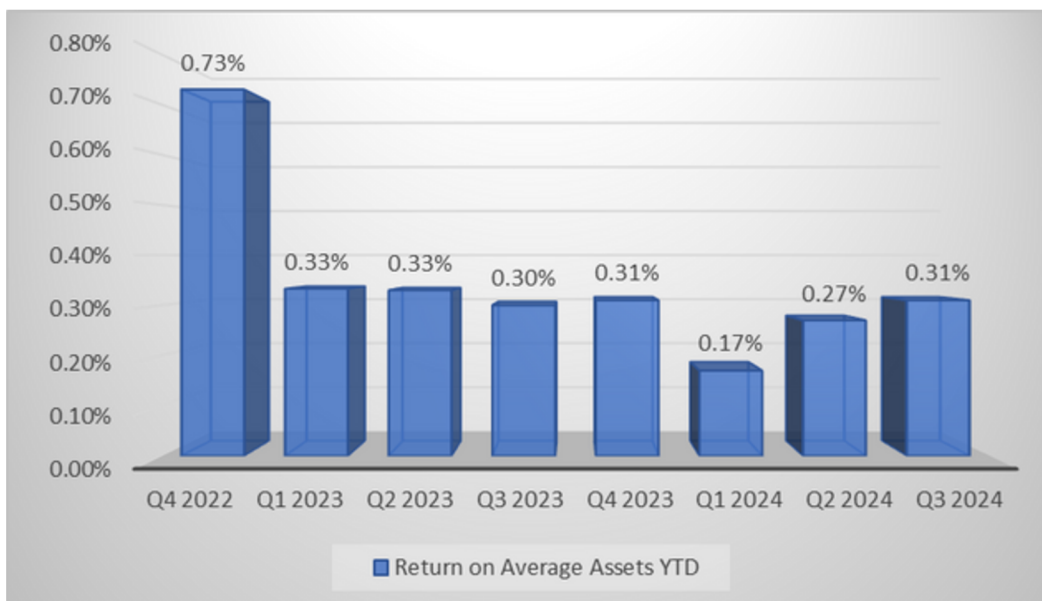


Financials Q3 2024

COST OF FUNDS YTD

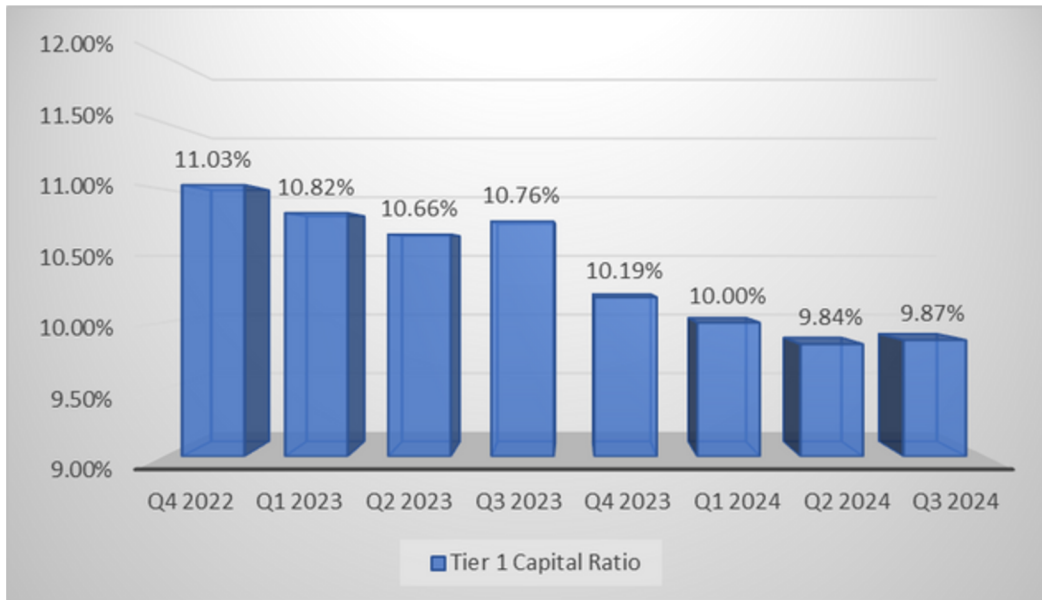


RETURN ON AVERAGE ASSETS YTD

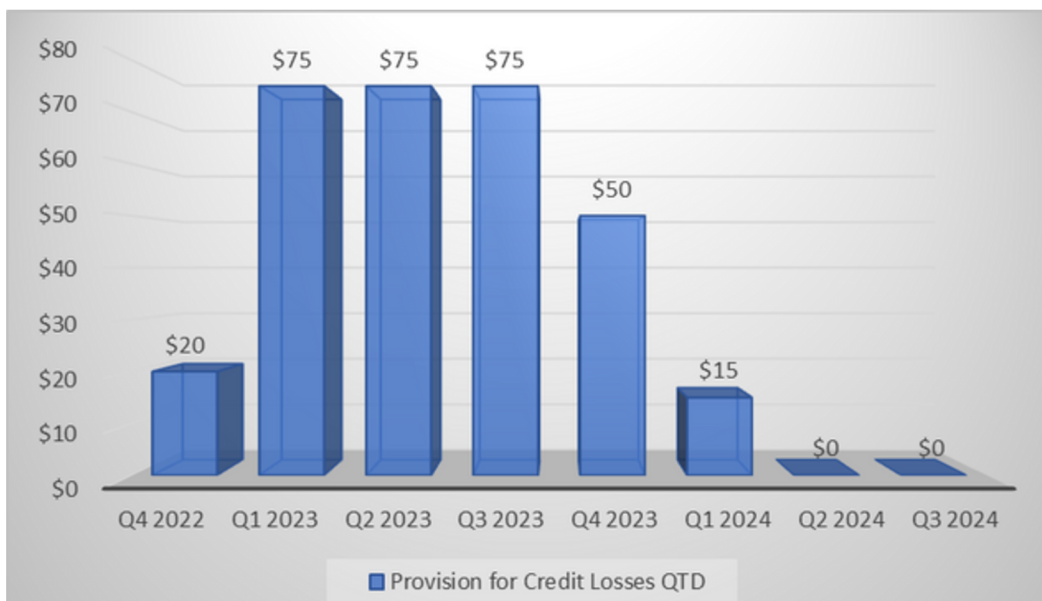


Financials Q3 2024

TIER 1 CAPITAL RATIO

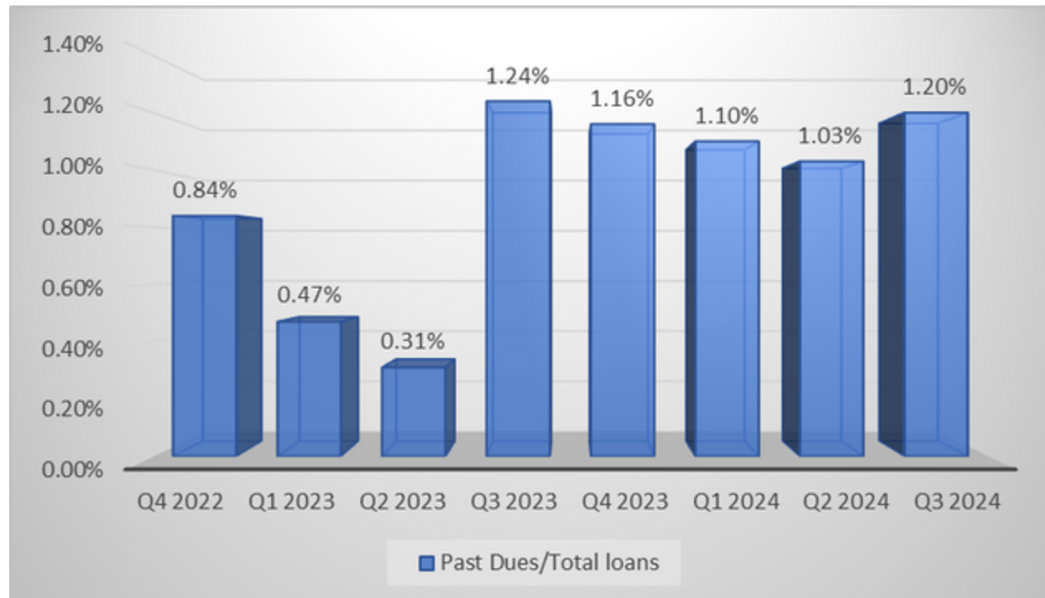


PROVISION FOR CREDIT LOSSES QTD



Financials Q3 2024

PAST DUES/TOTAL LOANS



EFFICIENCY RATIO YTD

