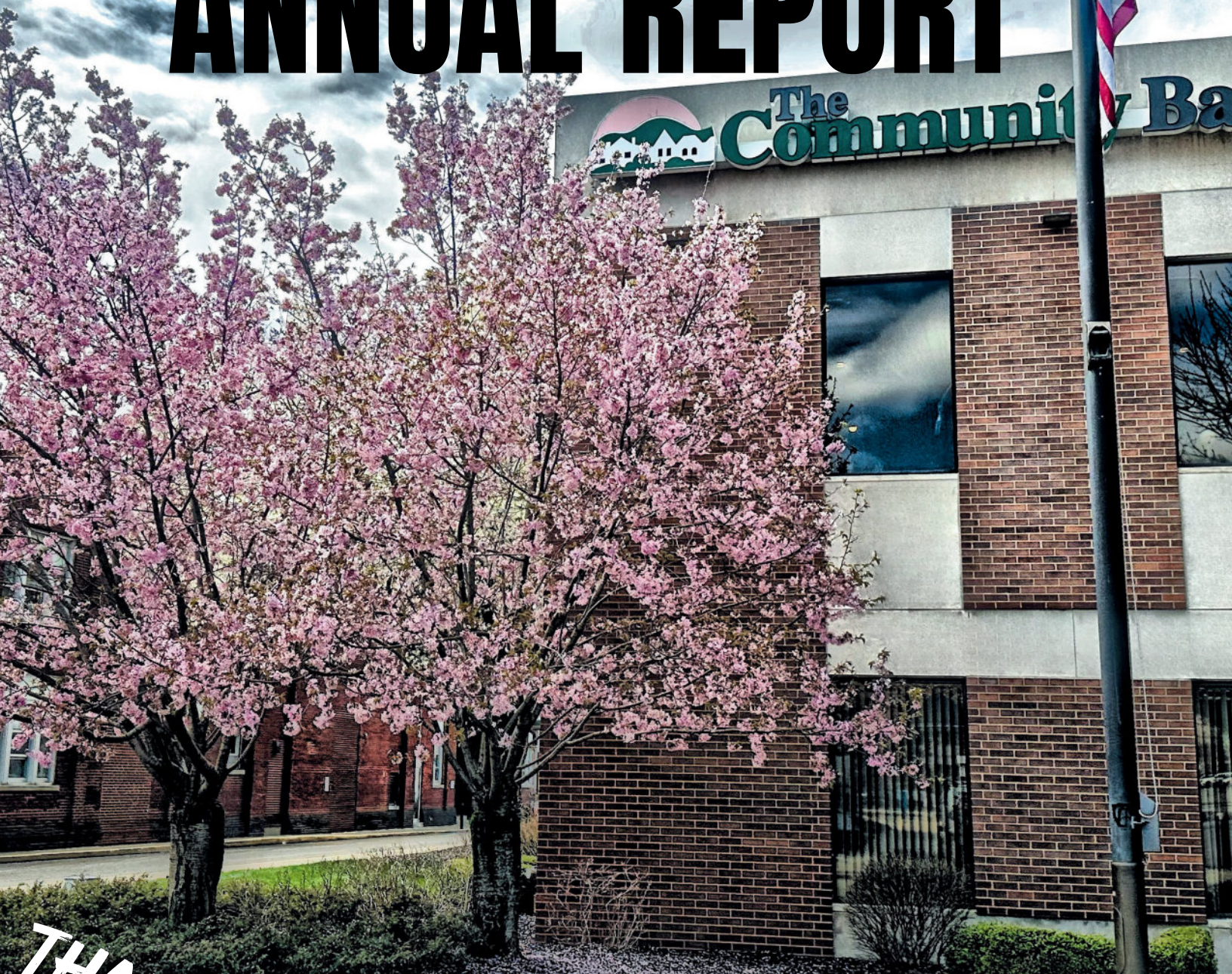


CommunityBanc, Inc.

2024 ANNUAL REPORT



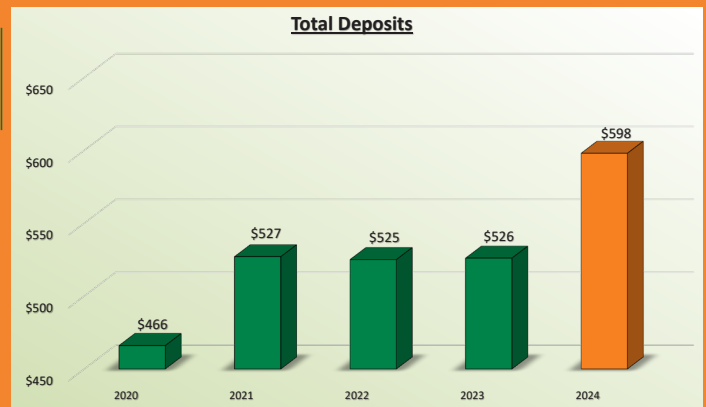
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FINANCIAL HIGHLIGHTS

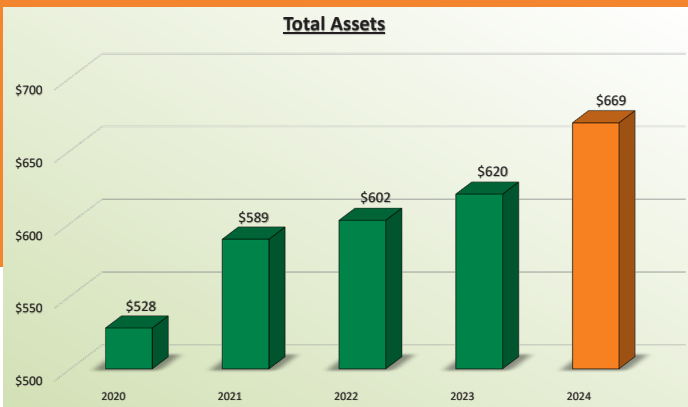
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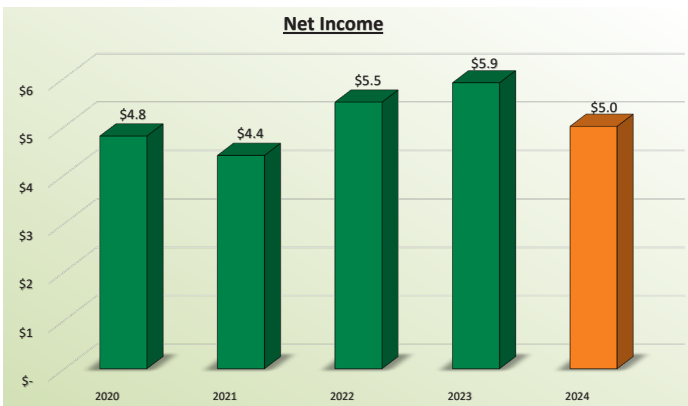
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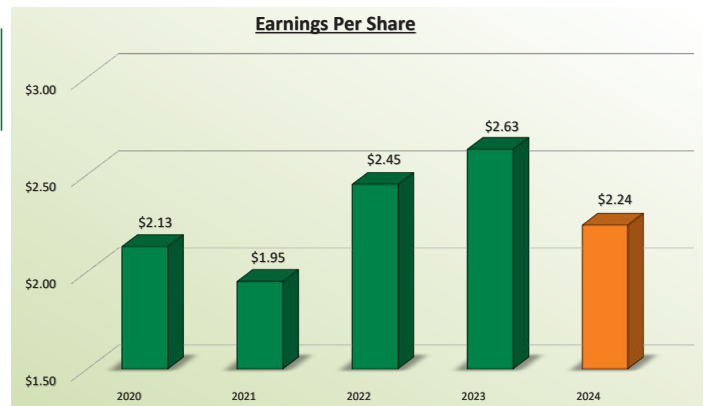
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TO OUR SHAREHOLDERS

2024 was certainly a good year for those looking for a higher return on cash assets. It has been many years since money market accounts and CDs were earning 5% or more. As the Federal Reserve rapidly increased interest rates to combat inflation, many institutions increased the rates on deposit products. Banks moved more slowly than some of the money market mutual funds and deposits started moving away from traditional banks. Some banks experienced liquidity challenges as they were reluctant to sell bonds from their investment portfolios to fund the runoff of these deposits. This resulted in a much more competitive environment for deposit gathering and retention. Our bank was not immune from these challenges and increased the rates on many of our deposit products. Loan rates increased during this period but not as rapidly and resulted in a compression of the net interest margin. This compression resulted in net income of \$5M which is less than net income during 2023. The first quarter of 2024 was quite difficult, but earnings improved throughout the year and the 4th quarter proved to be the best, which bodes well moving into 2025.

Deposit balances increased by \$50M during the 3rd quarter and consolidated total assets finished the year at \$669M, which represents an 8% increase over the prior year. Managing the structure of the balance sheet remains an important aspect of our success as we analyze the impact of changes in the yield curve and the impact on net interest margin and the economic value of our equity. The bank is currently positioned well to continue a solid level of earnings despite fluctuations in the yield curve.

In December 2024, the dividend to shareholders increased from \$.23 to \$.34 per share. As the bank continues to mature and earnings are sufficient to provide adequate capital, the Board of Director's determined that it is time to return more of these earnings to our shareholders.

The bank continues to invest in technology, products and physical locations as we strive to gain market share in each of the communities we serve. A new checking product, Cash Back 24/7 was introduced in 2024 and is one of the few on the market where a customer can earn monthly cash back for using their debit card. Our team of professionals is our strength and offers a customer experience that creates a relationship with our customers extending beyond a transaction.

Our annual Shareholder's meeting will be held on April 17 at the Muskingum County Welcome Center. I will be presenting a summary of 2024 results along with our plans for 2025. A strategic plan has been approved by the Board of Directors covering the next three years and I will share some of that plan with you.

Thank you to our shareholders for your confidence in our team and for allowing us to remain an independent community bank.

Eric S. Holsky

Eric S. Holsky
President and CEO

Terry L. Goss

Terry L. Goss
Chairman of the Board



MAKING MORE POSSIBLE!

YOU
CHOOSE

WE ARE ALWAYS FINDING
WAYS TO PUT MORE MONEY
IN YOUR POCKET!

CASH
BACK

OR

2.5%
APY

Both of these **free checking accounts** come with custom alerts, on-the-go transfers, remote check deposits, Zelle, works with Apple Pay®, Google Pay™, or Samsung Pay®, receive monthly ATM refunds (up to \$25) and so much more.

**GET THE ACCOUNT
THAT PAYS
YOU CASH BACK!**



**SCAN THE QR CODE
TO OPEN ONLINE
OR STOP BY ANY BRANCH.**

-OR-

**GET THE ACCOUNT
THAT PAYS
YOU INTEREST!**



THANK YOU FOR CHOOSING LOCAL

Member FDIC. Annual Percentage Yield (APY). Available to personal accounts only. Use of QR code may be subject to data charges. See a Community Bank employee to walk you through the details and fully explain the benefits of these accounts.

COMMUNITYBANC, INC.

ZANESVILLE, OHIO

AUDIT REPORT

DECEMBER 31, 2024

COMMUNITYBANC, INC.
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024

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Consolidated Statements of Changes in Stockholders' Equity	6
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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Stockholders
CommunityBanc, Inc.
Zanesville, Ohio

Opinion

We have audited the accompanying consolidated financial statements of CommunityBanc, Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023; the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for the years then ended; and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists.

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STEUBENVILLE, OH

511 N. Fourth Street
Steubenville, OH 43952
(304) 233-5030



Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information Included in Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the Financial Highlights and the Letter to Our Shareholders but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

S.R. Snodgrass, P.C.

Cranberry Township, Pennsylvania
March 11, 2025

COMMUNITYBANC, INC.
CONSOLIDATED BALANCE SHEET
(in thousands except share data)

	<u>December 31,</u> 2024	<u>December 31,</u> 2023
ASSETS		
Cash and due from banks	\$ 19,373	\$ 14,858
Federal funds sold	<u>52,592</u>	<u>7,693</u>
Cash and cash equivalents	71,965	22,551
Investment securities available for sale	108,707	117,234
Investment securities held to maturity, fair value of \$7,812 and \$8,470	8,818	9,402
Loans held for sale	558	499
Loans	451,620	441,882
Less allowance for credit losses	<u>4,545</u>	<u>4,584</u>
Net loans	447,075	437,298
Premises and equipment, net	13,057	12,695
Goodwill	2,291	2,291
Intangible asset	179	304
Accrued interest receivable	2,148	1,942
Bank-owned life insurance	11,214	10,941
Regulatory stock	596	1,750
Deferred tax asset, net	1,490	2,083
Other assets	<u>1,401</u>	<u>1,196</u>
TOTAL ASSETS	\$ <u>669,499</u>	\$ <u>620,186</u>
LIABILITIES		
Deposits:		
Demand	227,232	226,095
Savings	103,428	94,336
Money market	90,347	52,459
Time	<u>176,518</u>	<u>152,827</u>
Total deposits	597,525	525,717
Short-term borrowings	-	27,000
Accrued interest and other liabilities	<u>8,004</u>	<u>7,417</u>
TOTAL LIABILITIES	\$ <u>605,529</u>	\$ <u>560,134</u>
STOCKHOLDERS' EQUITY		
Preferred Stock, no par value; 1,500 shares authorized; none issued	-	-
Common stock, no par value; 7,000,000 authorized 2,266,527 shares issued, 2,236,404 and 2,259,542 shares outstanding as of December 31, 2024 and 2023	28,708	28,669
Retained earnings	42,748	38,983
Accumulated other comprehensive loss	(6,194)	(7,324)
Treasury stock, at cost, 30,123 and 6,985 shares	<u>(1,292)</u>	<u>(276)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>63,970</u>	<u>60,052</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ <u>669,499</u>	\$ <u>620,186</u>

See accompanying notes to the consolidated financial statements.

COMMUNITYBANC, INC.
CONSOLIDATED STATEMENT OF INCOME
(in thousands except share data)

	<u>December 31,</u> 2024	<u>December 31,</u> 2023
INTEREST INCOME		
Interest and fees on loans	\$ 27,468	\$ 23,815
Interest and dividends on investment securities:		
Taxable	2,471	2,419
Exempt from federal income tax	344	375
Interest-bearing deposits in other banks	315	123
Federal funds sold	<u>1,240</u>	<u>318</u>
Total interest income	<u>31,838</u>	<u>27,050</u>
INTEREST EXPENSE		
Deposits	11,865	5,386
Short-term borrowings	<u>240</u>	<u>789</u>
Total interest expense	<u>12,105</u>	<u>6,175</u>
NET INTEREST INCOME	19,733	20,875
Provision for credit losses-loans	120	(186)
Provision for credit losses-off balance sheet commitments	<u>-</u>	<u>426</u>
Total provision for credit losses	120	240
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	<u>19,613</u>	<u>20,635</u>
OTHER INCOME		
Customer service fees	442	780
Other service charges and fees	2,510	2,468
Net gains on loan sales	386	73
Earnings on life insurance	387	366
Wealth management fees	2,059	1,885
Other	<u>39</u>	<u>179</u>
Total other income	<u>\$ 5,823</u>	<u>\$ 5,751</u>
OTHER EXPENSE		
Salaries and employee benefits	10,122	10,201
Net occupancy expense	1,475	1,634
Equipment expense	467	362
Advertising	530	572
Franchise taxes	464	457
Amortization of intangible assets	125	125
Office supplies and printing	224	224
Debit/ATM interchange expense	890	829
Audit and legal expense	499	502
FDIC Insurance	276	276
Other	<u>4,130</u>	<u>3,841</u>
Total other expense	<u>19,202</u>	<u>19,023</u>
Income before income taxes	6,234	7,363
Income taxes	<u>1,199</u>	<u>1,427</u>
NET INCOME	<u>\$ 5,035</u>	<u>\$ 5,936</u>
EARNINGS PER SHARE	\$ 2.24	\$ 2.63
AVERAGE SHARES OUTSTANDING	2,243,493	2,259,257

See accompanying notes to the consolidated financial statements.

COMMUNITYBANC, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Year Ended December 31,	
	2024	2023
Net income	\$ 5,035	\$ 5,936
Components of other comprehensive income:		
Change in unrealized gains on available-for-sale securities	1,431	3,605
Tax effect	(301)	(757)
Total other comprehensive income	1,130	2,848
Total comprehensive income	\$ 6,165	\$ 8,784

See accompanying notes to the consolidated financial statements.

COMMUNITYBANC, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(in thousands except share data)

	Common Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Stockholders' Equity
	Shares	Amount				
Balance, December 31, 2022	2,266,527	\$ 28,634	\$ 34,088	\$ (10,172)	\$ -	\$ 52,550
Net income	-	-	5,936	-	-	5,936
Other comprehensive income	-	-	-	2,848	-	2,848
Dividends declared (\$.46 per share)	-	-	(1,041)	-	-	(1,041)
Purchase of treasury stock (15,244 shares)	-	-	-	-	(601)	(601)
Sale of treasury stock (8,259 shares)	-	35	-	-	325	360
Balance, December 31, 2023	<u>2,266,527</u>	<u>28,669</u>	<u>38,983</u>	<u>(7,324)</u>	<u>(276)</u>	<u>60,052</u>
Net income	-	-	5,035	-	-	5,035
Other comprehensive income	-	-	-	1,130	-	1,130
Dividends declared (\$.57 per share)	-	-	(1,270)	-	-	(1,270)
Purchase of treasury stock (32,584 shares)	-	-	-	-	(1,418)	(1,418)
Sale of treasury stock (9,446 shares)	-	39	-	-	402	441
Balance, December 31, 2024	<u>2,266,527</u>	<u>\$ 28,708</u>	<u>\$ 42,748</u>	<u>\$ (6,194)</u>	<u>\$ (1,292)</u>	<u>\$ 63,970</u>

See accompanying notes to the consolidated financial statements.

COMMUNITYBANC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,	
	2024	2023
OPERATING ACTIVITIES		
Net income	\$ 5,035	\$ 5,936
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization, and accretion	1,060	1,280
Provision for credit losses -loans	120	(186)
Provision for credit losses -off balance sheet commitments	-	426
Deferred income taxes	292	(80)
Earnings on bank-owned life insurance	(387)	(366)
Originations of loans held for sale	(14,810)	(3,247)
Proceeds from the sale of loans	15,137	2,821
Gain on the sale of loans	(386)	(73)
Increase in accrued interest receivable	(205)	(430)
Increase in accrued interest payable	320	1,439
Increase (decrease) in accrued federal income tax payable	13	(110)
(Decrease) increase in accrued expenses payable	(195)	643
Other, net	205	1,229
Net cash provided by operating activities	6,199	9,282
INVESTING ACTIVITIES		
Investment securities available for sale:		
Proceeds from principal repayments, calls, and maturities	42,592	26,985
Purchases	(32,077)	-
Investment securities held to maturity:		
Proceeds from principal repayments, calls, and maturities	676	1,389
Purchases	(89)	(60)
Net increase in loans	(10,386)	(46,531)
Purchase of regulatory stock	-	(833)
Proceeds from the sale of regulatory stock	1,154	508
Purchases of premises and equipment	(1,216)	(1,542)
Proceeds from sale of other real estate owned	-	29
Net cash provided by (used for) investing activities	654	(20,055)
FINANCING ACTIVITIES		
Net increase in deposits	71,808	261
Net increase (decrease) in short-term borrowings	(27,000)	7,000
Purchase of treasury stock	(1,418)	(601)
Sale of treasury stock	441	360
Cash dividends paid	(1,270)	(1,041)
Net cash provided by financing activities	42,561	5,979
Increase (decrease) in cash and cash equivalents	49,414	(4,794)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	22,551	27,345
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 71,965	\$ 22,551
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	\$ 11,785	\$ 4,737
Income taxes	900	1,625
Noncash investing activity:		
Loans transferred to real estate owned	-	25

See accompanying notes to the consolidated financial statements.

COMMUNITYBANC, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Basis of Presentation

CommunityBanc, Inc. (the “Company”) is an Ohio company organized as the holding company of The Community Bank (the “Bank”), and Community Properties of Zanesville, Inc. (CPI). Community Financial Advisors (CFA) is a division of the Bank. The Bank is primarily engaged in providing a full range of banking and financial services to individual and corporate customers in Muskingum and surrounding counties of Central Ohio. The Bank is subject to competition from other financial institutions. The Bank is subject to the regulation of certain federal and state agencies and undergoes periodic examinations by those regulatory authorities. CFA offers wealth management services including brokerage, financial planning, and retirement planning. CPI is a real estate holding company.

The consolidated financial statements of the Company include its wholly owned subsidiaries. All significant intercompany items have been eliminated in preparing the consolidated financial statements. The investment in subsidiaries on the parent company financial statements is carried at the parent company’s equity in the underlying net assets of the entity.

Use of Estimates

In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the Consolidated Balance Sheet date and reported amounts of revenues and expenses for the period. Actual results could differ from those estimates.

Investment Securities

Investment securities are classified at the time of purchase, based on management’s intention and ability, as securities held to maturity or securities available for sale. Debt securities acquired with the intent and ability to hold to maturity are stated at cost and adjusted for amortization of premium and accretion of discount that are computed using the level yield method and recognized as adjustments of interest income. Certain other debt securities have been classified as available for sale to serve principally as a source of liquidity. Unrealized holding gains and losses for available for sale securities are reported as a separate component of stockholders’ equity, net of tax, until realized. Realized securities gains and losses are computed using the specific identification method. Interest and dividends on investment securities are recognized as income when earned. Premiums and discounts are recognized in interest income using the interest method over the period to maturity.

Regulatory Stock

The Bank is a member of the Federal Home Loan Bank (FHLB) of Cincinnati and, as such, is required to maintain a minimum investment in stock of the FHLB that varies with the level of advances outstanding with the FHLB. The stock is bought from and sold to the FHLB based upon its \$100 par value. The stock does not have a readily determinable fair value and, as such, is classified as restricted stock, carried at cost, and evaluated by management. The stock’s value is determined by the ultimate recoverability of the par value rather than by recognizing temporary declines. The determination of whether the par value will ultimately be recovered is influenced by criteria such as the following: (a) the significance of the decline in net assets of the FHLB as compared to the capital stock amount and the length of time this situation has persisted, (b) commitments by the FHLB to make payments required by law or regulation and the level of such payments in relation to the operating performance, (c) the impact of legislative and regulatory changes on the customer base of the FHLB, and (d) the liquidity position of the FHLB. There was no impairment of the FHLB stock as of December 31, 2024 or 2023.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Credit Losses - Available-For-Sale (“AFS”) and Held-To-Maturity (“HTM”) Debt Securities

For HTM securities, management measures expected credit losses on a collective basis by major security type. Accrued interest receivable on held-to-maturity debt securities totaled \$53,000 and \$59,000 at December 31, 2024 and 2023, respectively and is excluded from the estimate of credit losses. The estimate of expected credit losses considers historical credit loss information that is adjusted for current conditions and reasonable and supportable forecasts. The HTM securities portfolio consists solely of obligations of states and political subdivisions. Management evaluates whether the issuer or other obligor will be able to pay interest and principal in full and evaluates the financial condition of the issuer or other obligor. At December 31, 2024, these securities are considered investment-grade by various ratings agencies.

For AFS securities, the Company performs a monthly qualitative evaluation for securities in an unrealized loss position to determine if the decline in fair value below the security’s amortized cost is credit related or non-credit related. In determining whether a security’s decline in fair value is credit related, the Company considers a number of factors including, but not limited to: (i) the extent to which the fair value of the investment is less than its amortized cost; (ii) the financial condition and near-term prospects of the issuer; (iii) downgrades in credit ratings; (iv) payment structure of the security; (v) the ability of the issuer of the security to make scheduled principal and interest payments; and (vi) general market conditions which reflect prospects for the economy as a whole, including interest rates and sector credit spreads. If it is determined that the unrealized loss, or a portion thereof, is credit related, the Company records the amount of credit loss through a charge to provision for credit losses in current period earnings. However, the amount of credit loss recorded in the current period’s earnings is limited to the amount of the total unrealized loss on the security, which is measured as the amount by which the security’s fair value is below its amortized cost. If the Company intends to sell, or if it is more likely than not that the Company will be required to sell a security in an unrealized loss position before the recovery of its amortized cost basis, the total amount of the unrealized loss is recognized in the current period’s earnings. Unrealized losses deemed non-credit related are recorded, net of tax, through accumulated other comprehensive income (loss).

Changes in the allowance for credit losses are recorded as credit loss expense (or reversal). Losses are charged against the allowance when management believes the uncollectibility of an available-for-sale security is confirmed or when either of the criteria regarding intent or requirement to sell is met. Accrued interest receivable on available-for-sale debt securities totaled \$344,000 and \$291,000 at December 31, 2024 and 2023, and is excluded from the estimate of credit losses.

A debt security is placed on nonaccrual status at the time any principal or interest payments become greater than 90 days delinquent. Interest accrued but not received when a security is placed on nonaccrual status is reversed against interest income.

Loans Held For Sale

Loans held for sale are carried at the lower of cost or fair value, as determined on an aggregate basis. Gains and losses on sales of loans held for sale are recognized on settlement dates and are determined by the difference between the sale proceeds and the carrying value of loans.

Loans

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff generally are reported at their principal amount net of the allowance for credit losses. Interest on loans is recognized as income when earned on the accrual method. The Company’s policy is to discontinue the accrual of interest on loans when payments are 90 days past-due unless in management’s estimation interest collection is probable based upon economic and business conditions of the borrower. Payments received on nonaccrual loans are recorded as income or applied against principal according to management’s judgment as to the collectability of such principal. Loans are returned to accrual status when past due interest is collected and the collection of principal is probable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Credit Losses - Loans

The allowance for credit losses for loans (“ACL”) is a provision to account for the expected losses and represents the amount that management forecasts for the probable losses inherent in its current loan portfolio. The ACL provision is based on management’s current judgment and expected performance concerning the credit quality, underwriting, and the potential for loss within the loan portfolio. Included as part of management’s judgment is an evaluation of the overall risk characteristics within the various portfolio segments. The evaluation and review of the Company’s risk characteristics includes the trends in delinquencies, originations, underwriting characteristics, levels of classified loans, lifetime historical loan losses and recoveries as well as trends in various other internal and external factors that may affect the collectability of a loan as of the reporting date. This periodic evaluation and review allows management to determine the adequacy of the ACL and to insure the ACL is sufficient to absorb any future losses.

The Company’s methodologies for determining the adequacy of ACL are set forth in a formal Asset Classification policy and take into consideration the need for an ACL for loans evaluated on a collective pool basis which have similar risk characteristics, as well as allowances that are tied to individual loans that do not share risk characteristics and are individually evaluated. The Company increases its ACL by charging the provision for credit losses on its consolidated income statements. Losses related to specific assets are applied to the assets thereby reducing the loan balance of the assets and charged against the ACL when management believes the non-collectability of a loan balance is confirmed. Recoveries on previously charged off loan balances are credited to the ACL.

Management assesses the ACL on a monthly basis and completes a more comprehensive evaluation quarterly. As noted above, the ACL is estimated using relevant information from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. The ACL is maintained at a level sufficient to provide for expected credit losses over the life of the loan, including expected prepayments and expected fundings of committed loans. This level is based on evaluating historical credit loss experience and making adjustments to historical loss information utilizing qualitative factors for differences in the specific risk characteristics in the current loan portfolio and economic conditions.

The ACL is measured on a collective pool basis when similar risk characteristics exist. In estimating the component of the ACL for loans that share common risk characteristics, loans are pooled based on the Federal Financial Institutions Examination Council Call Report Codes (“Codes”) and areas of risk concentration. For loans evaluated collectively as a pool, the ACL is calculated using the vintage method. The vintage method utilizes a lifetime, historical average charge-off rate containing loan loss, recovery and loan balance information over a historical lookback period that is used as the basis for estimating the ACL for the current and estimated funded balances of loans in each Code segment at a particular consolidated balance sheet date. The vintage methodology was chosen due to the extensive loan loss, recovery and loan balance histories the Company maintained. Therefore the Company was able to establish reliable loan loss rates for each Code segment. In the events where there was no or insufficient historical loan loss data to establish a reliable loan loss rate, the Company utilized a minimum loss rate for those particular Code balances.

The calculation of the ACL is adjusted using qualitative factors for current conditions and for reasonable and supportable forecast periods. These qualitative factors are used to add for additional areas of risk inherent in the portfolio that may not be directly reflected in the Company’s historical information and may include the following adjustments:

- Changes in environmental conditions.
- Changes in economic conditions.
- Trends in delinquency levels.
- Trends in loan origination volumes.
- Trends in collateral values, unemployment rates, changes in staffing and other relevant factors that may impact loan performance in time.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Credit Losses – Loans (Continued)

Factors involved in determining whether a loan should be individually evaluated include, but are not limited to, the financial condition of the borrower and the value of the underlying collateral. Loans that are identified to be evaluated individually in the ACL do not share all of the risk characteristics with other pooled loans in the portfolio. These loans are individually evaluated based on the present value of expected future cash flows. If management determines the loan is collateral dependent the fair market value of the current collateral value, the Company assesses these loans on each reporting date to determine whether repayment is expected to be provided substantially through the operation or sale of the collateral when the borrower is experiencing financial difficulty.

A loan is considered collateral-dependent when the debtor is experiencing financial difficulty and repayment is expected to be provided substantially through the sale or operation of the collateral. For all classes of loans and leases deemed collateral-dependent, the Company elected the practical expedient to estimate expected credit losses based on the collateral's fair value less cost to sell. Substantially all of the collateral consists of various types of business assets or real estate.

If the fair value of the collateral is less than the amortized cost basis of the loan, the Company will recognize a specific ACL or partial charge off as the difference between the fair value of the collateral, less costs to sell, and the amortized cost basis of the loan. If the fair value of the collateral exceeds the amortized cost basis of the loan, no ACL will be recognized provided no amount previously charged off. Subsequent changes in the expected credit losses for loans evaluated individually are included within the provision for credit losses in the same manner in which the expected credit loss initially was recognized or as a reduction in the provision that would otherwise be reported.

Management recognizes the process of assessing the adequacy of the ACL is both subjective and imprecise. Further, and particularly when economic and inflation conditions are uncertain, it is possible that future credit losses may exceed management's ACL. As such, there can be no assurance that future charge offs will not exceed management's current estimate of what constitutes a reasonable and adequate ACL.

Accrued interest receivable on loans totaled \$1,750,000 and \$1,592,000 at December 31, 2024 and 2023, respectively. The Bank has elected to exclude accrued interest receivable from the measurement of its ACL. When a loan is placed on nonaccrual status, any outstanding accrued interest is reversed against interest income.

Premises and Equipment

Land is carried at cost. Buildings and equipment are stated at cost, less accumulated depreciation. Depreciation is principally computed on the straight-line method over the estimated useful lives of the related assets, which range from 2 to 10 years for furniture, fixtures, and equipment and 10 to 39 years for building and improvements. Leasehold improvements are amortized over the shorter of their estimated useful lives or their respective lease terms, which range from 5 to 15 years. Expenditures for maintenance and repairs are charged against income as incurred. Costs of major additions and improvements are capitalized.

Goodwill and Intangible Assets

Goodwill represents the excess of the purchase price over the cost of net assets purchased in connection with the acquisition of CFA and the acquisition of the Cambridge branches. Goodwill is not amortized but is evaluated for impairment.

The Company accounts for goodwill using a two-step process for testing the impairment of goodwill on at least an annual basis. This approach could cause more volatility in the Company's reported net income because impairment losses, if any, could occur irregularly and in varying amounts. The Company performs an annual impairment analysis of goodwill by assessing various qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. The Company performed this assessment and concluded that the recorded value of goodwill was not impaired. No impairment of goodwill was recognized in any of the periods presented.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill and Intangible Assets (Continued)

The Company has a separately identifiable intangible asset relating to the acquisition of CFA, in which a customer list was included in the purchase. This intangible asset is being amortized on a straight-line basis over a period of 20 years and is subject to annual impairment testing. The balance of the intangible asset at December 31, 2024 and 2023, was \$130,000 and \$172,000, net of accumulated amortization of \$713,000 and \$671,000, respectively. Amortization expense of \$42,000 was recorded for the years ended December 31, 2024 and 2023. Amortization expense is estimated to be \$42,000 each year for the years 2025 through 2027 and \$4,000 in 2028.

The Company also has a separately identifiable intangible asset relating to the purchase of deposit accounts at the Cambridge branches. This intangible asset is being amortized on a straight-line basis over a period of ten years and is subject to annual impairment testing. The balance of the intangible asset at December 31, 2024 and 2023, was \$49,000 and \$132,000, net of accumulated amortization of \$784,000 and \$701,000, respectively. Amortization expense of \$83,000 was recorded for the years ended December 31, 2024 and 2023. Amortization expense is estimated \$49,000 in 2025.

Employee Benefits

The Company has a defined contribution, 401(k) plan covering eligible employees. The employee may also contribute to the plan on a voluntary basis, up to a maximum percentage allowable not to exceed the limits of Code Sections 401(k). Under the plan, the Company also makes contributions on behalf of eligible employees, which fully vest after six years. Contribution expense is recorded in salaries and employee benefits.

The Company maintains nonqualified salary continuation plans for an executive officer and former officer. All obligations arising under the plan are payable from the general assets of the Company. Expenses under the salary continuation plans are recognized as earned over the expected years of service and are recorded in salaries and employee benefits.

The Company maintains a nonqualified executive deferred compensation plan for an executive officer. Under the plan, the officer may elect to defer compensation and the Company may make contributions, subject to certain vesting requirements. All obligations arising under the plan are payable from the general assets of the Company. Expenses under the plan are recognized as earned over the expected years of service and are recorded in salaries and employee benefits.

Income Taxes

The Company and its subsidiaries file a consolidated federal income tax return. Deferred tax assets and liabilities are reflected at currently enacted income tax rates applicable to the period in which the deferred tax assets or liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes. The Company recognizes interest and penalties on income taxes as a component of income tax expense.

Earnings Per Share

The Company currently maintains a simple capital structure; therefore, there are no dilutive effects on earnings per share. As such, earnings per share computations are based upon the weighted number of shares outstanding for each of the reported periods. Treasury shares are not deemed outstanding for earnings per share calculations.

Treasury Stock

Purchases are accounted for under the cost method whereby the entire cost of the acquired stock is recorded as treasury stock. Gains and losses on the subsequent re-issuances of the stock are credited or charged to common stock using the average cost method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Flow Information

The Company has defined “cash equivalents” as those amounts included in the Consolidated Balance Sheet captions “Cash and due from banks” and “Federal funds sold” that have original maturities of 90 days or less.

Comprehensive Income

The Company is required to present comprehensive income and its components in a full set of general-purpose financial statements for all periods presented. Accumulated other comprehensive income comprises unrealized holding gains and losses on the available for sale securities portfolio and accretion of discounts related to investment securities transferred from available for sale to held to maturity.

Bank-owned Life Insurance

The Company owns insurance on the lives of a certain group of key employees. The policies were purchased to help offset the increase in the costs of various fringe benefit plans, including healthcare. The cash surrender value of these policies is included as an asset on the Consolidated Balance Sheet, and any increases in the cash surrender value are recorded as noninterest income on the Consolidated Statement of Income. In the event of the death of an insured individual under these policies, the Company would receive a death benefit, which would be recorded as noninterest income.

Other Real Estate Owned

Assets acquired through, or in lieu of, loan foreclosure are held for sale and are initially recorded at fair value less cost to sell at the date of foreclosure, establishing a new cost basis. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less cost to sell. Revenue and expenses from operations and changes in the valuation allowance (any direct write-downs) are included in net expenses from foreclosed assets.

Mortgage Servicing Rights (MSRs)

The Company has agreements for the express purposes of selling loans in the secondary market. The Company maintains all servicing rights for these loans. Originated MSRs are recorded by allocating total costs incurred between the loan and servicing rights based on the relative fair values. MSRs are amortized in proportion to the estimated servicing income over the estimate life of the servicing portfolio. Impairment is evaluated based on the fair value of the right, based on portfolio interest rates and prepayment characteristics.

MSRs are a component of other assets on the Consolidated Balance Sheet. MSRs amounted to \$273,000 and \$293,000 at December 31, 2024 and 2023, respectively.

Other Repossessed Assets

Assets acquired through repossession are initially recorded at fair value less cost to sell at the date of repossession, establishing a new cost basis. Subsequent to repossession, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less cost to sell.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Transfers of Financial Assets

Transfers of financial assets are accounted for as sales when all of the components meet the definition of a participating interest and when control over the assets has been surrendered. A participating interest generally represents: (1) a proportionate (pro rata) ownership interest in an entire financial asset; (2) a relationship where from the date of transfer all cash flows received from the entire financial asset are divided proportionately among the participating interest holders in an amount equal to their share of ownership; (3) the priority of cash flows has certain characteristics, including no reduction in priority, subordination of interest, or recourse to the transferor other than standard representation or warranties; and (4) no party has the right to pledge or exchange the entire financial asset unless all participating interest holders agree to pledge or exchange the entire financial asset. Control over transferred assets is deemed to be surrendered when: (1) the assets have been isolated from the Company; (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets; and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Advertising Costs

Advertising costs are expensed as incurred.

Off-Balance Sheet Financial Instruments

In the ordinary course of business, the Company has entered into off-balance sheet financial instruments consisting of commitments to extend credit and letters of credit. Such financial instruments are recorded on the Consolidated Balance Sheet when they are funded.

Allowance for Credit Loss on Off-Balance Sheet Exposures

The Company estimates expected credit losses over the contractual period in which the Company is exposed to credit risk through a contractual obligation to extend credit unless the obligation is unconditionally cancellable by the Company. The allowance for credit losses on off-balance sheet credit exposures is adjusted through the provision for credit losses. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life.

Reclassification of Comparative Amounts

Certain comparative amounts for the prior year have been reclassified to conform to current-year presentation. Such reclassifications had no effect on net income or stockholders' equity.

Segment Reporting

While the chief decision-makers monitor the revenue streams of the various products and services, operations are managed and financial performance is evaluated on a Company-wide basis. The Company has identified one segment: community banking.

2. REVENUE RECOGNITION

The Company accounts for its applicable in accordance with ASC Topic 606 – *Revenue from Contracts with Customers*. The core principle of Topic 606, *Revenue from Contracts with Customers*, is that an entity recognize revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer.

2. REVENUE RECOGNITION (Continued)

Topic 606 does not apply to revenue associated with financial instruments, including interest from loans, investments, and other interest-bearing deposits. In addition, certain noninterest income streams, such as fees associated with mortgage servicing rights, gains and losses from loan and investment sales, earnings on bank-owned life insurance, financial guarantees, and certain credit card fees are also not in scope of the new guidance. Topic 606 is applicable to noninterest revenue streams such as trust and asset management income, deposit related fees, interchange fees, merchant income, and annuity and insurance commissions.

The main types of noninterest income within the scope of the standard are as follows:

Customer Service Fees

Topic 606 is applicable to noninterest revenue streams, such as service charges on deposit accounts, which consist primarily of monthly service fees and fees associated with overdrafts. The Company's performance obligation for monthly service fees is satisfied and recognized in the month the service is provided. Other deposit account-related fees are largely transactional based; and therefore, revenue is recognized at a point in time upon completion of transaction.

Other Service Charges and Fees

Other income within the scope of Topic 606 is primarily comprised of debit and credit card income, ATM fees, merchant income, wire transfer fees, and safe deposit box rents. Debit and credit card income is primarily comprised of interchange fees earned whenever the Company's debit and credit cards are processed through card payment networks, such as Visa. ATM fees are primarily generated when a Company cardholder uses a non-Company ATM or a non-Company cardholder uses a Company ATM. The Company's performance obligation for other service charges and fees are largely satisfied, and related revenue recognized, when the services are rendered or upon completion. Payment is typically received immediately or in the following month. Safe deposit box rental fees are charged to the customer on an annual basis and recognized upon receipt of payment. The Company determined that since rentals and renewals occur fairly consistently over time, revenue is recognized on a basis consistent with the duration of the performance obligation.

Wealth Management Fees

Wealth management income is primarily comprised of fees earned from the management and administration of trusts and other customer assets along with commissions from the sale of mutual funds and annuities. The Company's performance obligation for management and administration is generally satisfied over time, and the resulting fees are recognized monthly, based upon the month-end market value of the assets under management and the applicable fee rate. Payment is generally received a few days after month-end through a direct charge to the customers' accounts. The Company's performance obligation for mutual fund and annuity sales is generally satisfied upon completion of the transaction. A small portion of the fees from qualified retirement plans are collected and recognized on a quarterly basis.

2. REVENUE RECOGNITION (Continued)

Gains (Losses) on Sale of Other Real Estate Owned (“OREO”) and Repossessed Assets

Gains and losses are recognized at the completion of the property sale when the buyer obtains control of the real estate and all of the performance obligations of the Company have been satisfied. Evidence of the buyer obtaining control of the asset include transfer of the property title, physical possession of the asset, and the buyer obtaining control of the risks and rewards related to the asset. In situations where the Company agrees to provide financing to facilitate the sale, additional analysis is performed to ensure that the contract for sale identifies the buyer and seller, the asset to be transferred, and the payment terms; that the contract has a true commercial substance; and that amounts due from the buyer are reasonable. In situations where financing terms are not reflective of current market terms, the transaction price is discounted impacting the gain/loss and the carrying value of the asset.

The following table depicts the disaggregation of revenue derived from contracts with customers to depict the nature, amount, timing, and uncertainty of revenue and cash flows for the years ended December 31:

<u>Noninterest Income</u>	<u>2024</u>	<u>2023</u>
	(in thousands)	
Customer service fees:		
Non-sufficient funds fees	\$ 271	\$ 604
Services charges and other fees	171	176
Other services charges and fees		
Visa credit cards	1,980	1,933
ATM fees	154	172
Other fees	376	363
Wealth management fees		
Brokerage fees	1,389	1,219
Trust fees	670	666
Net gains on loan sales (a)	386	73
Earnings on bank-owned life insurance (a)	387	366
Other income	39	179
	<u>5,823</u>	<u>5,751</u>
Total noninterest income	\$ <u>5,823</u>	\$ <u>5,751</u>

(a) Not within scope of ASC 606

3. INVESTMENT SECURITIES

The amortized cost, gross unrealized gains and losses, and fair values of investment securities available for sale and held to maturity are summarized as follows (in thousands):

	2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Available for sale					
U.S. government agency securities	\$ 54,727	\$ 2	\$ (1,863)	\$ -	\$ 52,866
U.S. treasury securities	23,279	16	(34)	-	23,261
Mortgage-backed securities	35,543	-	(5,600)	-	29,943
Obligations of states and political subdivisions	2,998	-	(361)	-	2,637
Total	\$ <u>116,547</u>	\$ <u>18</u>	\$ <u>(7,858)</u>	\$ <u>-</u>	\$ <u>108,707</u>

	2023				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Available for sale					
U.S. government agency securities	\$ 72,273	\$ -	\$ (3,476)	\$ -	\$ 68,797
U.S. treasury securities	15,363	-	(156)	-	15,207
Mortgage-backed securities	35,854	-	(5,324)	-	30,530
Obligations of states and political subdivisions	3,015	-	(315)	-	2,700
Total	\$ <u>126,505</u>	\$ <u>-</u>	\$ <u>(9,271)</u>	\$ <u>-</u>	\$ <u>117,234</u>

	2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Allowance for Credit Losses
Held to maturity					
Obligations of states and political subdivisions	\$ <u>8,818</u>	\$ <u>20</u>	\$ <u>(1,026)</u>	\$ <u>7,812</u>	\$ <u>-</u>

	2023				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Allowance for Credit Losses
Held to maturity					
Obligations of states and political subdivisions	\$ <u>9,402</u>	\$ <u>36</u>	\$ <u>(969)</u>	\$ <u>8,470</u>	\$ <u>-</u>

3. INVESTMENT SECURITIES (Continued)

The following tables show the Company's gross unrealized losses and fair value, aggregated by investment category and length of time that the individual securities have been in a continuous unrealized loss position at December 31, 2024 and 2023 (in thousands).

	2024					
	Less than Twelve Months		Twelve Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Available for sale						
U.S. government agency securities	\$ 4,422	\$ (109)	\$ 47,454	\$ (1,754)	\$ 51,876	\$ (1,863)
U.S. treasury securities	9,904	(11)	3,399	(23)	13,303	(34)
Mortgage-backed securities	3,098	(118)	26,845	(5,482)	29,943	(5,600)
Obligations of states and political subdivisions	-	-	2,638	(361)	2,638	(361)
	<u>\$ 17,424</u>	<u>\$ (238)</u>	<u>\$ 80,336</u>	<u>\$ (7,620)</u>	<u>\$ 97,760</u>	<u>\$ (7,858)</u>

	2024					
	Less than Twelve Months		Twelve Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Held to maturity						
Obligations of states and political subdivisions	\$ 660	\$ (15)	\$ 4,060	\$ (1,011)	\$ 4,720	\$ (1,026)

	2023					
	Less than Twelve Months		Twelve Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Available for sale						
U.S. government agency securities	\$ -	\$ -	\$ 68,797	\$ (3,476)	\$ 68,797	\$ (3,476)
U.S. treasury securities	-	-	15,207	(156)	15,207	(156)
Mortgage-backed securities	-	-	30,530	(5,324)	30,530	(5,324)
Obligations of states and political subdivisions	250	(5)	2,449	(310)	2,699	(315)
	<u>\$ 250</u>	<u>\$ (5)</u>	<u>\$ 116,983</u>	<u>\$ (9,266)</u>	<u>\$ 117,233</u>	<u>\$ (9,271)</u>

	2023					
	Less than Twelve Months		Twelve Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Held to maturity						
Obligations of states and political subdivisions	\$ 300	\$ -	\$ 4,792	\$ (969)	\$ 5,092	\$ (969)

3. INVESTMENT SECURITIES (Continued)

For available-for-sale securities as of December 31, 2024, 32 mortgage-backed securities, 9 obligations of states and political subdivisions i.e. municipal bonds, and 38 U.S. agencies and treasuries had unrealized loss due to interest rate volatility. All agency mortgage-backed securities are issued by U.S. government entities and agencies and are either explicitly or implicitly guaranteed by the U.S. government. They are highly rated by major rating agencies and have a long history of no credit losses. Management concluded that the unrealized loss reflected above was temporary in nature since the unrealized loss was related primarily to market interest rates volatility, and not related to the underlying credit quality of the issuers of the securities. Additionally, the Company has the ability and intent to hold the securities for the time necessary to recover the amortized cost.

The held to maturity securities portfolio consists solely of obligations of state and political subdivision bonds. The 26 obligations of state and political subdivision bonds in the portfolio carry no lower than A ratings from the rating agencies at December 31, 2024 and have a long history of no credit losses. The Company regularly monitors the municipal bonds sector of the market and reviews collectability including such factors as the financial condition of the issuers as well as credit ratings in effect as of the reporting period.

The amortized cost and fair value of investment securities at December 31, 2024, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

(in thousands)	Available for Sale		Held to Maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in one year or less	\$ 44,550	\$ 44,293	\$ 38	\$ 38
Due after one year through five years	31,213	29,682	948	968
Due after five years through ten years	3,528	3,366	4,261	3,801
Due after ten years	37,256	31,366	3,571	3,005
Total	<u>\$ 116,547</u>	<u>\$ 108,707</u>	<u>\$ 8,818</u>	<u>\$ 7,812</u>

There were no sales of investment securities for the years ended December 31, 2024 and 2023.

Investment securities with a carrying value of \$110,051,000 and \$118,565,000 at December 31, 2024 and 2023, respectively, were pledged to secure public deposits, collateral for borrowings, and other purposes as required by law.

4. LOANS

Major classifications of loans are summarized as follows (in thousands):

	<u>2024</u>	<u>2023</u>
Real estate:		
Residential	\$ 242,112	\$ 233,953
Construction	13,176	13,925
Commercial	121,468	113,407
Commercial and industrial	32,066	33,700
Consumer installment	42,769	46,862
Other	29	35
	<u>451,620</u>	<u>441,882</u>
Less allowance for loan losses	<u>4,545</u>	<u>4,584</u>
Net loans	<u>\$ 447,075</u>	<u>\$ 437,298</u>

The Company's primary business activity is with customers located within its local trade area. Commercial, residential, and personal loans are granted. The Company also selectively funds commercial and residential loans originated outside its immediate trade area provided such loans meet the Company's credit policy guidelines. In general, at December 31, 2024 and 2023, loans outstanding to individuals and businesses are dependent upon the local economic conditions in the immediate trade areas of Muskingum and surrounding counties of Central Ohio.

Mortgage loans serviced by the Company for others amounted to \$106,538,000 with 718 loans sold and \$100,108,000 with 662 loans sold at December 31, 2024 and December 31, 2023, respectively.

At December 31, 2024, the Company had a concentration to lessors of residential buildings and dwellings in the amount of \$40.8 million, or 9.05 percent, of the loan portfolio. At December 31, 2023, the Company had a concentration to lessors of residential buildings and dwellings in the amount of \$39.7 million, or 9.0 percent, of the loan portfolio.

5. ALLOWANCE FOR CREDIT LOSSES

Management has an established methodology to determine the adequacy of the allowance for credit losses ("ACL") that assesses the risks and losses inherent in the loan portfolio. For purposes of determining the ACL, the Company has segmented certain loans in the portfolio by call report codes. Loans are segmented into the following similar risk characteristic pools: residential real estate, construction real estate, commercial real estate, commercial and industrial, consumer installment, and other. Lifetime, historical loss percentages for each risk category are calculated and used as the basis for calculating ACL allocations. These historical loss percentages are calculated using loss, recovery and loan information from January 1, 2001 through December 31, 2024 for all portfolio segments. Certain qualitative factors are then added to the ACL allocation percentage to get the adjusted factor to be applied to the loan segments.

During 2024, the ACL balance for each category decreased with the exception of the commercial real estate segment. This increase in the commercial real estate reserve was the result of several factors. Commercial real estate experienced an 11.3% increase in overall balances, compared to 2023. Also, during 2024, commercial real estate saw a slight increase in criticized and classified loans thereby increasing the severity factor in the qualitative analysis addition in the ACL calculation. The risk within the loan portfolio continues to be managed well with focus being on the stabilization of real estate property and vehicle values being the largest risk. Management monitors both of these categories and utilizes a qualitative factor related to the underlying collateral value of each loan segment within the ACL calculation to assure proper allowance is dedicated to each. These qualitative factors are reviewed each quarter and adjusted based upon relevant changes within the portfolio.

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

Changes in the allowance for credit losses for the years ended December 31, 2024, by loan portfolio segment are as follows (in thousands):

	2024						
	<u>Residential Real Estate</u>	<u>Construction Real Estate</u>	<u>Commercial Real Estate</u>	<u>Commercial and Industrial</u>	<u>Consumer Installment</u>	<u>Other</u>	<u>Total</u>
Beginning Balance	\$ 1,260	\$ 165	\$ 1,608	\$ 531	\$ 984	\$ 36	\$ 4,584
Charge-offs	-	-	-	(115)	(91)	(68)	(274)
Recoveries	11	-	-	34	44	26	115
Provision	(174)	(27)	322	39	(71)	31	120
Ending Balance	<u>\$ 1,097</u>	<u>\$ 138</u>	<u>\$ 1,930</u>	<u>\$ 489</u>	<u>\$ 866</u>	<u>\$ 25</u>	<u>\$ 4,545</u>

Changes in the allowance for loan losses for the years ended December 31, 2023, by loan portfolio segment are as follows (in thousands):

	2023						
	<u>Residential Real Estate</u>	<u>Construction Real Estate</u>	<u>Commercial Real Estate</u>	<u>Commercial and Industrial</u>	<u>Consumer Installment</u>	<u>Other</u>	<u>Total</u>
Beginning balance	\$ 1,944	\$ 126	\$ 1,474	\$ 496	\$ 813	\$ 38	\$ 4,891
Charge-offs	-	-	-	-	(133)	(88)	(221)
Recoveries	4	-	2	1	57	36	100
Provision	(688)	39	132	34	247	50	(186)
Ending balance	<u>\$ 1,260</u>	<u>\$ 165</u>	<u>\$ 1,608</u>	<u>\$ 531</u>	<u>\$ 984</u>	<u>\$ 36</u>	<u>\$ 4,584</u>

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

The total ACL reflects management's estimate of loan losses inherent in the loan portfolio at the Consolidated Balance Sheet date. The Company considers the ACL adequate to cover loan credit losses inherent in the loan portfolio at December 31, 2024 and 2023, respectively. The following tables present the balance in the ACL and the recorded investment in loans by portfolio segment and for individually and collectively evaluated loans as of December 31, 2024 and 2023 (in thousands):

	2024						Total
	Residential Real Estate	Construction Real Estate	Commercial Real Estate	Commercial and Industrial	Consumer Installment	Other	
Allowance for Credit Losses:							
Individually evaluated for impairment	\$ 40	\$ -	\$ 225	\$ 118	\$ -	\$ -	\$ 383
Collectively evaluated for impairment	1,057	138	1,705	371	866	25	4,162
Total	<u>\$ 1,097</u>	<u>\$ 138</u>	<u>\$ 1,930</u>	<u>\$ 489</u>	<u>\$ 866</u>	<u>\$ 25</u>	<u>\$ 4,545</u>
Loans:							
Individually evaluated for impairment	\$ 851	\$ -	\$ 2,498	\$ 263	\$ -	\$ -	\$ 3,612
Collectively evaluated for impairment	241,261	13,176	118,970	31,803	42,769	25	448,004
Total	<u>\$ 242,112</u>	<u>\$ 13,176</u>	<u>\$ 121,468</u>	<u>\$ 32,066</u>	<u>\$ 42,769</u>	<u>\$ 25</u>	<u>\$ 451,616</u>
	2023						Total
	Residential Real Estate	Construction Real Estate	Commercial Real Estate	Commercial and Industrial	Consumer Installment	Other	
Allowance for loan losses:							
Individually evaluated for impairment	\$ 24	\$ 9	\$ 193	\$ 111	\$ 18	\$ -	\$ 355
Collectively evaluated for impairment	1,236	156	1,415	420	966	36	4,229
Total	<u>\$ 1,260</u>	<u>\$ 165</u>	<u>\$ 1,608</u>	<u>\$ 531</u>	<u>\$ 984</u>	<u>\$ 36</u>	<u>\$ 4,584</u>
Loans:							
Individually evaluated for impairment	\$ 483	\$ 9	\$ 2,330	\$ 353	\$ 55	\$ -	\$ 3,230
Collectively evaluated for impairment	233,470	13,916	111,077	33,347	46,807	35	438,652
Total	<u>\$ 233,953</u>	<u>\$ 13,925</u>	<u>\$ 113,407</u>	<u>\$ 33,700</u>	<u>\$ 46,862</u>	<u>\$ 35</u>	<u>\$ 441,882</u>

Credit Quality Information

The Company's internally assigned grades are as follows:

Pass loans are protected by the current net worth and paying capacity of the obligor or by the value of the underlying collateral. There are three sub-grades within the Pass category to further distinguish the loan.

Special Mention loans are loans for which a potential weakness or risk exists that could cause a more serious problem if not corrected.

Substandard loans have a well-defined weakness based on objective evidence and are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

Credit Quality Information (Continued)

Doubtful loans have all the weaknesses inherent in a substandard asset. In addition, these weaknesses make collection or liquidation in full highly questionable and improbable, based on existing circumstances.

Loss loans are considered uncollectible, or of such value that continuance as an asset is not warranted.

The following tables represent credit exposures by internally assigned grades for the year ended December 31, 2024. The grading analysis estimates the capability of the borrower to repay the contractual obligations of the loan agreements as scheduled or at all. The Company's internal credit risk grading system is based on experiences with similarly graded loans (in thousands).

		Term Loans Amortized Costs Basis by Origination Year						
December 31, 2024		2024	2023	2022	2021	2020	Prior	Total
Commercial real estate								
Risk Rating								
Pass	\$	22,336	\$ 12,207	\$ 26,895	\$ 14,871	\$ 8,313	\$ 30,875	\$ 115,497
Special Mention		-	1,007	668	-	497	1,213	3,385
Substandard		-	-	212	-	85	2,289	2,586
Doubtful		-	-	-	-	-	-	-
Total	\$	<u>22,336</u>	<u>\$ 13,214</u>	<u>\$ 27,775</u>	<u>\$ 14,871</u>	<u>\$ 8,895</u>	<u>\$ 34,377</u>	<u>\$ 121,468</u>
Current period gross charge-offs	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction real estate								
Risk Rating								
Pass	\$	4,625	\$ 4,120	\$ 587	\$ 1,697	\$ -	\$ 2,147	\$ 13,176
Special Mention		-	-	-	-	-	-	-
Substandard		-	-	-	-	-	-	-
Doubtful		-	-	-	-	-	-	-
Total	\$	<u>4,625</u>	<u>\$ 4,120</u>	<u>\$ 587</u>	<u>\$ 1,697</u>	<u>\$ -</u>	<u>\$ 2,147</u>	<u>\$ 13,176</u>
Current period gross charge-offs	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial and industrial								
Risk Rating								
Pass	\$	9,141	\$ 9,148	\$ 6,038	\$ 2,866	\$ 2,677	\$ 1,810	\$ 31,680
Special Mention		-	-	10	8	-	-	18
Substandard		-	109	7	-	74	178	368
Doubtful		-	-	-	-	-	-	-
Total	\$	<u>9,141</u>	<u>\$ 9,257</u>	<u>\$ 6,055</u>	<u>\$ 2,874</u>	<u>\$ 2,751</u>	<u>\$ 1,988</u>	<u>\$ 32,066</u>
Current period gross charge-offs	\$	-	\$ -	\$ 60	\$ -	\$ -	\$ 55	\$ 115
Total								
Risk Rating								
Pass	\$	36,102	\$ 25,475	\$ 33,520	\$ 19,434	\$ 10,990	\$ 34,832	\$ 160,353
Special Mention		-	1,007	678	8	497	1,213	3,403
Substandard		-	109	219	-	159	2,467	2,954
Doubtful		-	-	-	-	-	-	-
Total	\$	<u>36,102</u>	<u>\$ 26,591</u>	<u>\$ 34,417</u>	<u>\$ 19,442</u>	<u>\$ 11,646</u>	<u>\$ 38,512</u>	<u>\$ 166,710</u>
Total gross charge-offs		<u>-</u>	<u>-</u>	<u>\$ 60</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 115</u>

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

Term Loans Amortized Costs Basis by Origination Year

December 31, 2023

Commercial real estate

Risk Rating

	2023	2022	2021	2020	2019	Prior	Total
Pass	\$ 11,711	\$ 30,713	\$ 18,488	\$ 11,413	\$ 5,502	\$ 30,955	\$ 108,782
Special Mention	324	206	-	532	533	312	1,907
Substandard	-	-	-	-	-	2,718	2,718
Doubtful	-	-	-	-	-	-	-
Total	<u>\$ 12,035</u>	<u>\$ 30,919</u>	<u>\$ 18,488</u>	<u>\$ 11,945</u>	<u>\$ 6,035</u>	<u>\$ 33,985</u>	<u>\$ 113,407</u>

Current period gross charge-offs \$ - \$ - \$ - \$ - \$ - \$ - \$ -

Construction real estate

Risk Rating

Pass	\$ 8,043	\$ 1,130	\$ 2,688	\$ -	\$ 1,108	\$ 947	\$ 13,917
Special Mention	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	9	9
Doubtful	-	-	-	-	-	-	-
Total	<u>\$ 8,043</u>	<u>\$ 1,130</u>	<u>\$ 2,688</u>	<u>\$ -</u>	<u>\$ 1,108</u>	<u>\$ 956</u>	<u>\$ 13,926</u>

Current period gross charge-offs \$ - \$ - \$ - \$ - \$ - \$ - \$ -

Commercial and industrial

Risk Rating

Pass	\$ 12,161	\$ 9,049	\$ 4,343	\$ 3,835	\$ 823	\$ 2,288	\$ 32,499
Special Mention	742	16	11	-	2	11	782
Substandard	-	9	-	-	-	410	419
Doubtful	-	-	-	-	-	-	-
Total	<u>\$ 12,903</u>	<u>\$ 9,074</u>	<u>\$ 4,354</u>	<u>\$ 3,835</u>	<u>\$ 825</u>	<u>\$ 2,709</u>	<u>\$ 33,700</u>

Current period gross charge-offs \$ - \$ - \$ - \$ - \$ - \$ - \$ -

Total

Risk Rating

Pass	\$ 31,915	\$ 40,892	\$ 25,519	\$ 15,248	\$ 7,433	\$ 34,190	\$ 155,197
Special Mention	1,066	222	11	532	535	323	2,689
Substandard	-	9	-	-	-	3,136	3,146
Doubtful	-	-	-	-	-	-	-
Total	<u>\$ 32,981</u>	<u>\$ 41,123</u>	<u>\$ 25,530</u>	<u>\$ 15,780</u>	<u>\$ 7,968</u>	<u>\$ 37,649</u>	<u>\$ 161,032</u>

Total gross charge-offs - - \$ - \$ - \$ - \$ - \$ -

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

The following tables presents performing and nonperforming loans based on payment activity for the year ended December 31, 2024. Payment activity is reviewed by management on a monthly basis to determine how loans are performing. Loans are considered to be nonperforming when they become 90 days past due or are placed on nonaccrual (in thousands).

	Term Loans Amortized Costs Basis by Origination Year						Revolving Loans Amortized Cost Basis	Total
	2024	2023	2022	2021	2020	Prior		
December 31, 2024								
Residential real estate								
Payment Performance								
Performing	\$ 26,839	\$ 56,792	\$ 60,459	\$ 32,954	\$ 20,406	\$ 43,548	\$ -	\$ 240,998
Nonperforming	-	-	437	119	-	558	-	1,114
Total	<u>\$ 26,839</u>	<u>\$ 56,792</u>	<u>\$ 60,896</u>	<u>\$ 33,073</u>	<u>\$ 20,406</u>	<u>\$ 44,106</u>	<u>\$ -</u>	<u>\$ 242,112</u>
Current period gross charge-offs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consumer installment and other								
Payment Performance								
Performing	\$ 11,501	\$ 14,071	\$ 11,821	\$ 2,143	\$ 469	\$ 2,667	\$ -	\$ 42,672
Nonperforming	-	16	94	16	-	-	-	126
Total	<u>\$ 11,501</u>	<u>\$ 14,087</u>	<u>\$ 11,915</u>	<u>\$ 2,159</u>	<u>\$ 469</u>	<u>\$ 2,667</u>	<u>\$ -</u>	<u>\$ 42,798</u>
Current period gross charge-offs	\$ -	\$ 12	\$ 76	\$ 2	\$ 1	\$ 68	\$ -	\$ 159
Total								
Payment Performance								
Performing	\$ 38,340	\$ 70,863	\$ 72,280	\$ 35,097	\$ 20,875	\$ 46,215	\$ -	\$ 283,670
Nonperforming	-	16	531	135	-	558	-	1,240
Total	<u>\$ 38,340</u>	<u>\$ 70,879</u>	<u>\$ 72,811</u>	<u>\$ 35,232</u>	<u>\$ 20,875</u>	<u>\$ 46,773</u>	<u>\$ -</u>	<u>\$ 284,910</u>
Total gross charge-offs	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 76</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 68</u>	<u>\$ -</u>	<u>\$ 159</u>

	Term Loans Amortized Costs Basis by Origination Year						Revolving Loans Amortized Cost Basis	Total
	2023	2022	2021	2020	2019	Prior		
December 31, 2023								
Residential real estate								
Payment Performance								
Performing	\$ 50,565	\$ 60,266	\$ 32,496	\$ 19,275	\$ 9,274	\$ 37,519	\$ 23,847	\$ 233,242
Nonperforming	-	241	-	-	-	310	160	711
Total	<u>\$ 50,565</u>	<u>\$ 60,507</u>	<u>\$ 32,496</u>	<u>\$ 19,275</u>	<u>\$ 9,274</u>	<u>\$ 37,829</u>	<u>\$ 24,007</u>	<u>\$ 233,953</u>
Current period gross charge-offs	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Consumer installment and other								
Payment Performance								
Performing	\$ 23,651	\$ 17,554	\$ 3,686	\$ 1,208	\$ 483	\$ 274	\$ -	\$ 46,856
Nonperforming	-	40	-	1	-	-	-	41
Total	<u>\$ 23,651</u>	<u>\$ 17,595</u>	<u>\$ 3,686</u>	<u>\$ 1,209</u>	<u>\$ 483</u>	<u>\$ 274</u>	<u>\$ -</u>	<u>\$ 46,897</u>
Current period gross charge-offs	\$ 28	\$ 71	\$ 94	\$ 1	\$ 8	\$ 21	\$ -	\$ 221
Total								
Payment Performance								
Performing	\$ 74,216	\$ 77,820	\$ 36,182	\$ 20,483	\$ 9,757	\$ 37,793	\$ 23,847	\$ 280,098
Nonperforming	-	281	-	1	-	310	160	752
Total	<u>\$ 74,216</u>	<u>\$ 78,101</u>	<u>\$ 36,182</u>	<u>\$ 20,484</u>	<u>\$ 9,757</u>	<u>\$ 38,103</u>	<u>\$ 24,007</u>	<u>\$ 280,850</u>
Total gross charge-offs	<u>\$ 28</u>	<u>\$ 71</u>	<u>\$ 94</u>	<u>\$ 1</u>	<u>\$ 8</u>	<u>\$ 21</u>	<u>\$ -</u>	<u>\$ 221</u>

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

The following tables include an aging analysis of the recorded investment of past-due loans as of December 31, 2024 and 2023 (in thousands).

	2024					
	30-59	60-89	90 Days	Total	Current	Total
	Days	Days	or Greater	Past Due		
Past Due	Past Due	Past Due	Past Due			
Real estate:						
Residential	\$ 1,419	\$ 169	\$ 571	\$ 2,159	\$ 239,953	\$ 242,112
Construction	3	-	-	3	13,173	13,176
Commercial	511	158	230	899	120,569	121,468
Commercial and industrial	178	125	246	549	31,517	32,066
Consumer installment	115	28	58	201	42,568	42,769
Other	-	-	-	-	29	29
Total	<u>\$ 2,226</u>	<u>\$ 480</u>	<u>\$ 1,105</u>	<u>\$ 3,811</u>	<u>\$ 447,809</u>	<u>\$ 451,620</u>

	2023 (in thousands)					
	30-59	60-89	90 Days	Total	Current	Total
	Days	Days	or Greater	Past Due		
Past Due	Past Due	Past Due	Past Due			
Real estate:						
Residential	\$ 427	\$ 183	\$ 290	\$ 900	\$ 233,053	\$ 233,953
Construction	-	-	9	9	13,916	13,925
Commercial	604	165	-	769	112,638	113,407
Commercial and industrial	46	71	110	226	33,474	33,700
Consumer installment	268	40	27	336	46,527	46,862
Other	-	-	-	-	35	35
Total	<u>\$ 1,345</u>	<u>\$ 459</u>	<u>\$ 436</u>	<u>\$ 2,240</u>	<u>\$ 439,643</u>	<u>\$ 441,882</u>

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

Non-performing Loans

Non-performing loans include those loans that are considered nonaccrual, described in more detail below and all loans past due 90 or more days. Loans are considered for non-accrual status upon reaching 90 days delinquency, although the Company may be receiving partial payments of interest and partial repayments of principal on such loans, or if full payment of principal and interest is not expected. Additionally, if management is made aware of other information including bankruptcy, repossession, death, or legal proceedings, the loan may be placed on non-accrual status. If a loan is 90 days or more past due and is well secured and in the process of collection, it may be still considered accruing.

The following tables reflect the non-performing loan receivables, as well as those on non-accrual status with and with no specific ACL reserve as of December 31, 2024 and 2023 respectively (in thousands):

		2024				
		Nonaccrual	Nonaccrual	Total	Loans Past	Total
		with no	with	Nonaccrual	Due Over 90 Days	Non-performing
		<u>specific ACL</u>	<u>specific ACL</u>	<u>Nonaccrual</u>	<u>Still Accruing</u>	<u>Non-performing</u>
Real estate:						
Residential	\$	469	\$ 645	\$ 1,114	\$ -	\$ 1,114
Construction		-	-	-	-	-
Commercial		672	144	816	85	901
Commercial and industrial		41	165	206	74	280
Consumer installment		126	-	126	3	129
Other		-	-	-	-	-
Total	\$	<u>1,308</u>	<u>\$ 954</u>	<u>\$ 2,262</u>	<u>\$ 162</u>	<u>\$ 2,424</u>

		2023				
		Nonaccrual	Nonaccrual	Total	Loans Past	Total
		with no	with	Nonaccrual	Due Over 90 Days	Non-performing
		<u>specific ACL</u>	<u>specific ACL</u>	<u>Nonaccrual</u>	<u>Still Accruing</u>	<u>Non-performing</u>
Real estate:						
Residential	\$	408	\$ 259	\$ 667	\$ 44	\$ 711
Construction		-	9	9	-	9
Commercial		388	330	718	-	718
Commercial and industrial		8	140	148	-	148
Consumer installment		40	-	40	1	41
Other		-	-	-	-	-
Total	\$	<u>844</u>	<u>\$ 738</u>	<u>\$ 1,582</u>	<u>\$ 45</u>	<u>\$ 1,627</u>

Interest income on nonaccrual loans not recognized during 2024 and 2023 was \$178,000 and \$88,000, respectively.

5. ALLOWANCE FOR CREDIT LOSSES (Continued)

Collateral Dependent Loans

The following table represents, by loan type, the amortized cost basis of collateral-dependent nonaccrual loans and type of collateral as of December 31, 2024, and 2023, respectively (in thousands).

	2024			
	Real Estate	Business Assets	None	Total
Real estate:				
Residential	\$ 645	\$ -	\$ -	\$ 645
Construction	-	-	-	-
Commercial	144	-	-	144
Commercial and industrial	105	49	11	165
Consumer and Other	-	-	-	-
	<u>\$ 894</u>	<u>\$ 49</u>	<u>\$ 11</u>	<u>\$ 954</u>

	2023			
	Real Estate	Business Assets	None	Total
Real estate:				
Residential	\$ 292	\$ -	\$ -	\$ 292
Construction	-	-	-	-
Commercial	330	-	-	330
Commercial and industrial	-	107	9	116
Consumer and Other	-	-	-	-
	<u>\$ 622</u>	<u>\$ 107</u>	<u>\$ 9</u>	<u>\$ 738</u>

Borrowers Having Financial Difficulty

Consistent with accounting and regulatory guidance, the Company recognizes when a borrower is having financial difficulty and determines if certain modifications are necessary. The Company may, for economic or legal reasons related to a borrower's financial difficulties, grant a concession to the borrower that would not normally be considered. Regardless of the form of concession granted, the Company's objective in offering a modification is to increase the probability of repayment of the borrower's loan.

There were no modifications to borrower's experiencing financial difficulties during the year ended December 31, 2024. The following table includes loans modified as having financial difficulty during the year ended December 31, 2024.

The modifications made by the Company consisted on reduced principal and interest payments and the addition of a final balloon payment date. The Company did not have any troubled debt restructurings modified within the preceding 12 months that subsequently defaulted in the current reporting periods.

6. OTHER REAL ESTATE OWNED

As of December 31, 2024 and 2023, the Bank had no foreclosed real estate included in other assets. As of December 31, 2024, the Company has initiated formal foreclosure proceedings on residential mortgages totaling \$866,000.

7. PREMISES AND EQUIPMENT

Major classifications of premises and equipment are summarized as follows:

	<u>2024</u>	<u>2023</u>
Land	\$ 4,794	\$ 4,794
Building and improvements	14,696	14,361
Leasehold improvements	76	76
Furniture, fixtures, and equipment	<u>8,703</u>	<u>7,993</u>
	28,269	27,224
Less accumulated depreciation	<u>15,212</u>	<u>14,529</u>
Total	<u>\$ 13,057</u>	<u>\$ 12,695</u>

Depreciation and amortization charged to operations were \$853,000 and \$760,000 in 2024 and 2023, respectively.

8. DEPOSITS

Time deposits totaling \$160,233,000, \$7,948,000, \$4,464,000, \$1,653,000, \$2,220,000 at December 31, 2024, mature during 2025, 2026, 2027, 2028, 2029 and thereafter, respectively (in thousands).

Maturities on time deposits of \$250,000 or more at December 31, 2024 and 2023, are as follows:

	<u>2024</u>	<u>2023</u>
Three months or less	\$ 9,046	\$ 5,142
Three to six months	7,610	12,964
Six to twelve months	11,459	4,261
Over one year	<u>1,497</u>	<u>1,874</u>
Total	<u>\$ 29,612</u>	<u>\$ 24,241</u>

9. SHORT-TERM BORROWINGS

Short-term borrowings can consist of FHLB borrowings with terms of six months or less. The outstanding balances and related information for short-term borrowings for 2024 and 2023 are summarized as follows (in thousands):

	2024	
	Amount	Weighted-Average Rate
Balance at year-end	\$ -	0.00%
Average balance outstanding during the year	\$ 4,279	5.61%
Maximum amount outstanding at any month-end	\$ 20,000	

	2023	
	Amount	Weighted-Average Rate
Balance at year-end	\$ 27,000	5.47%
Average balance outstanding during the year	\$ 14,563	5.46%
Maximum amount outstanding at any month-end	\$ 27,000	

The average balance outstanding during the year represents daily averages. Average interest rates represent interest expense divided by the related average balance.

The Bank had a maximum borrowing capacity with the Federal Home Loan Bank of Cincinnati (FHLB) of \$103,668,000 at December 31, 2024. FHLB borrowings are collateralized by FHLB stock and qualifying pledged loans. The Bank had no long-term debt outstanding as of December 31, 2024 or December 31, 2023.

The Company also has a short-term outstanding line of credit with United Bankers' Bank for \$5,000,000. The line of credit for \$5,000,000 has a floating interest rate equivalent to the Fed Funds Buy Rate which was 4.31% as of December 31, 2024. The Company had no outstanding balances on the line of credit as of December 31, 2024 or December 31, 2023.

10. EMPLOYEE BENEFITS

The Company maintains a defined contribution 401(k) salary reduction plan for substantially all employees meeting certain eligibility requirements. Employees may contribute a percentage of their compensation. The Company, at the discretion of the Board of Directors, matches 100 percent of first 5 percent of salary contributed by the employee. Employer contributions charged to expense for 2024 and 2023 amounted to \$351,000 and \$317,000, respectively.

The Company maintains salary continuation plans for an executive officer and former officer. The plan provides for monthly payments for up to 10 and 20 years, respectively. Benefits payments to the former officer amounted to \$46,000, for each of the years ended December 31, 2024 and 2023, respectively. Benefits will commence to the executive officer at the normal retirement age and will be fully vested after 10 years of service. At December 31, 2024 and 2023, an obligation of \$485,000 and \$478,000, respectively, was included in other liabilities for this plan in the Consolidated Balance Sheet. Expenses related to the salary continuation plans totaled \$66,000 and \$62,000, for the years ended December 31, 2024 and 2023, respectively. Distributions from the plan were \$46,000 for the years ended December 31, 2024 and 2023, respectively.

In September of 2019, the Company entered into a nonqualified deferred compensation agreement with an executive officer to provide supplemental retirement benefits commencing with the executive's retirement, and ending five years thereafter. At December 31, 2024 and 2023, an obligation of \$268,000 and \$196,000, respectively, was included in other liabilities for this agreement in the Consolidated Balance Sheet. Expenses related to the deferred compensation agreement totaled \$72,000 and \$69,000 for the years ended December 31, 2024 and 2023, respectively. There were no distributions from the plan for years ended December 31, 2024 and 2023, respectively.

11. COMMITMENTS

In the normal course of business, there are various commitments that are not reflected in the Company's financial statements. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the Consolidated Balance Sheet. The Company's exposure to credit loss in the event of nonperformance by the other parties to the financial instruments is represented by the contractual amounts as disclosed. Losses, if any, are charged to the allowance for loan losses. Management minimizes its exposure to credit loss under these commitments by subjecting them to credit approval, review procedures, and collateral requirements as deemed necessary.

The off-balance-sheet commitments comprise the following at December 31 (in thousands):

	2024	2023
Unused commercial lines of credit	\$ 35,257	\$ 25,396
Open-end consumer and construction lines of credit	42,636	47,024
Standby letters of credit	1,536	1,613
Total	<u>\$ 79,429</u>	<u>\$ 74,033</u>

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the loan agreement. These commitments comprise available commercial and personal lines of credit and loans approved but not yet funded. The amount of collateral obtained, as deemed necessary, is based upon management's credit evaluation in compliance with the lending policy guidelines. Since many of the credit line commitments are expected to expire without being fully drawn upon, the total contractual amounts do not necessarily represent future funding requirements.

At December 31, 2024, and 2023, the allowance for credit losses for off-balance-sheet commitments was \$426,000.

12. INCOME TAXES

The provision for income taxes is summarized as follows (in thousands):

	<u>2024</u>	<u>2023</u>
Current	\$ 907	\$ 1,507
Deferred	292	(80)
Total	<u>\$ 1,199</u>	<u>\$ 1,427</u>

The tax effects of deductible and taxable temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities, respectively, at December 31 are as follows (in thousands):

	<u>2024</u>	<u>2023</u>
Deferred tax assets:		
Allowance for credit losses	\$ 954	\$ 963
Allowance for unfunded commitments	89	89
Deferred compensation	158	141
Net unrealized loss on investment securities	1,646	1,947
Nonaccrual loan interest	101	153
Gross deferred tax assets	<u>2,948</u>	<u>3,293</u>
Deferred tax liabilities:		
Premises and equipment	592	420
FHLB stock dividends	88	88
Mortgage servicing asset	57	62
Intangible assets	413	419
Other	308	221
Gross deferred tax liabilities	<u>1,458</u>	<u>1,210</u>
Net deferred tax assets	<u>\$ 1,490</u>	<u>\$ 2,083</u>

No valuation allowance was established at December 31, 2024 and 2023, in view of the Company's ability to carry back taxes paid in previous years, certain tax strategies, and anticipated future taxable income as evidenced by the Company's earnings potential.

The reconciliation between the federal statutory rate and the Company's effective income tax rate is as follows (in thousands):

	<u>2024</u>		<u>2023</u>	
	<u>Amount</u>	<u>% of Pretax Income</u>	<u>Amount</u>	<u>% of Pretax Income</u>
Provision at statutory rate	\$ 1,309	21.0 %	\$ 1,546	21.0 %
Effect of tax-exempt income	(66)	(1.1)	(76)	(1.0)
Effect of earnings on life insurance	(57)	(0.9)	(54)	(0.7)
Other	13	0.2	11	0.1
Actual tax expense and effective rate	<u>\$ 1,199</u>	<u>19.2 %</u>	<u>\$ 1,427</u>	<u>19.4 %</u>

12. INCOME TAXES (Continued)

U.S. GAAP prescribe a recognition threshold and a measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Benefits from tax positions should be recognized in the financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority that would have full knowledge of all relevant information.

A tax position that meets the more-likely-than-not recognition threshold is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more-likely-than-not recognition threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not recognition threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met.

There is currently no liability for uncertain tax positions and no known unrecognized tax benefits. The Company recognizes, when applicable, interest and penalties related to unrecognized tax benefits in the provision for income taxes in the Consolidated Statement of Income. With few exceptions, the Company is no longer subject to U.S. federal, state, or local income tax examinations by tax authorities for years before 2021.

13. REGULATORY MATTERS

Cash Requirements

Effective, March 26, 2020, the Federal Reserve reduced requirements to zero for all depository institutions. There were no required federal reserves included in “Cash and due from banks” at December 31, 2024 or 2023. The required reserves are used to facilitate the implementation of monetary policy by the Federal Reserve System. The required reserves are computed by applying prescribed ratios to classes of average deposit balances. These are held in the form of vault cash and a depository amount held with the Federal Reserve Bank. Federal law prohibits the Company from borrowing from the Bank unless the loans are secured by specific collateral.

Dividends

The Bank is subject to a dividend restriction that generally limits the amount of dividends that can be paid by any Ohio state-chartered bank. Under the Ohio Banking Code, cash dividends may not exceed net profits, as defined for that year, combined with retained net profits for the two preceding years less any required transfers to surplus. Under this formula, the amount available for payment of dividends in 2025 would be approximately \$9,502,000 plus 2025 profits retained up to the date of the dividend declaration.

Capital Requirements

The Company and Bank are subject to various capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory – and possibly additional discretionary – actions by regulators that, if undertaken, could have a direct material effect on the Company’s financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and Bank must meet specific capital guidelines that involve quantitative measures of the Company’s assets, liabilities, and certain off-balance-sheet items as calculated under U.S. GAAP, regulatory reporting requirements, and regulatory capital standards. The Company and Bank capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weighting, and other factors.

Quantitative measures established by regulatory capital standards to ensure capital adequacy require the Company and Bank to maintain minimum amounts and ratios of total and Tier I capital to risk-weighted assets, common equity Tier I to total risk-weighted assets, and Tier I capital to average assets. Management believes, as of December 31, 2024, that the Company and Bank meet all capital adequacy requirements to which they are subject.

13. REGULATORY MATTERS (Continued)

Capital Requirements (Continued)

As of December 31, 2024 and 2023, the Company and Bank are categorized as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Company and Bank must maintain minimum total risk-based capital, Tier I risk-based capital, common equity Tier I risk-based capital, and Tier I leverage ratios must be at least 10 percent, 8 percent, 6.5 percent, and 5 percent, respectively.

In addition to the capital requirements, the Federal Deposit Insurance Corporation Improvement Act established five capital categories ranging from “well capitalized” to “critically undercapitalized.” Should any institution fail to meet the requirements to be considered “adequately capitalized,” it would become subject to a series of increasingly restrictive regulatory actions.

As of December 31, 2024 and 2023, the Federal Deposit Insurance Corporation categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be classified as a well-capitalized financial institution, total risk-based, Tier I risk-based, common equity Tier I risk-based, and Tier I leverage capital ratios must be at least 10 percent, 6 percent, and 5 percent, respectively. Management believes, as of December 31, 2024, the Bank met all capital adequacy requirements to which it is subject.

The Bank’s actual capital ratios are presented in the following table, which shows the Bank met all regulatory capital requirements. The capital position of the Company does not differ significantly from Bank’s capital position.

(in thousands)	2024		2023	
	Amount	Ratio	Amount	Ratio
<u>Total capital</u> <u>(to risk-weighted assets)</u>	(in thousands)		(in thousands)	
Actual	\$ 68,629	16.42 %	\$ 64,995	16.04 %
For capital adequacy purposes	33,447	8.00	32,412	8.00
To be well capitalized	41,809	10.00	40,515	10.00
<u>Tier 1 capital</u> <u>(to risk-weighted assets)</u>				
Actual	\$ 64,084	15.33 %	\$ 59,986	14.81 %
For capital adequacy purposes	25,085	6.00	24,309	6.00
To be well capitalized	33,447	8.00	32,412	8.00
<u>Common equity Tier 1 capital</u> <u>(to risk-weighted assets)</u>				
Actual	\$ 64,084	15.33 %	\$ 59,986	14.81 %
For capital adequacy purposes	18,814	4.50	18,232	4.50
To be well capitalized	27,176	6.50	26,334	6.50
<u>Tier 1 capital</u> <u>(to average assets)</u>				
Actual	\$ 64,084	9.62 %	\$ 59,986	9.76 %
For capital adequacy purposes	26,653	4.00	24,586	4.00
To be well capitalized	33,316	5.00	30,733	5.00

14. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table presents the changes in accumulated other comprehensive (loss) income by component net of tax for the years ended December 31, 2024 and 2023 (in thousands).

	Net Unrealized Gain (Loss) on Securities
Accumulated other comprehensive loss, December 31, 2022	\$ (10,172)
Other comprehensive income (net of tax)	<u>2,848</u>
Total other comprehensive income	2,848
Accumulated other comprehensive loss, December 31, 2023	\$ (7,324)
Other comprehensive income (net of tax)	<u>1,130</u>
Total other comprehensive income	<u>1,130</u>
Accumulated other comprehensive loss, December 31, 2024	<u><u>\$ (6,194)</u></u>

There were no significant amounts reclassified out of each component of accumulated other comprehensive (loss) income at December 31, 2024 and 2023.

15. FAIR VALUE MEASUREMENTS

The following disclosures show the hierarchal disclosure framework associated with the level of pricing observations utilized in measuring assets and liabilities at fair value. The three broad levels of pricing observations are as follows:

- Level I: Quoted prices are available in active markets for identical assets or liabilities as of the reported date.
- Level II: Pricing inputs are other than the quoted prices in active markets, which are either directly or indirectly observable as of the reported date. The nature of these assets and liabilities includes items for which quoted prices are available but traded less frequently and items that are fair-valued using other financial instruments, the parameters of which can be directly observed.
- Level III: Valuations are derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

This hierarchy requires the use of observable market data, when available.

15. FAIR VALUE MEASUREMENTS (Continued)

The following tables present the assets measured on a recurring basis on the Consolidated Balance Sheet at their fair value as of December 31, 2024 and 2023, by level within the fair value hierarchy. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement (in thousands).

	December 31, 2024			
	Level I	Level II	Level III	Total
Assets measured at fair value on a recurring basis:				
U.S. government agency securities	\$ -	\$ 52,866	\$ -	\$ 52,866
U.S. treasury securities	-	23,261	-	23,261
Mortgage-backed securities	-	29,943	-	29,943
Obligations of states and political subdivisions	-	2,637	-	2,637
Total	\$ -	\$ 108,707	\$ -	\$ 108,707

	December 31, 2023			
	Level I	Level II	Level III	Total
Assets measured at fair value on a recurring basis:				
U.S. government agency securities	\$ -	\$ 68,797	\$ -	\$ 68,797
U.S. treasury securities	-	15,207	-	15,207
Mortgage-backed securities	-	30,530	-	30,530
Obligations of states and political subdivisions	-	2,700	-	2,700
Total	\$ -	\$ 117,234	\$ -	\$ 117,234

Investment Securities

The fair value of investment securities available for sale is equal to the available quoted market price. If no quoted market price is available, fair value is estimated using the quoted market price for similar securities.

The following tables present the assets measured on a nonrecurring basis on the Consolidated Balance Sheet at their fair value as of December 31, 2024 and 2023, by level within the fair value hierarchy (in thousands).

	December 31, 2024			
	Level I	Level II	Level III	Total
Assets measured at fair value on a nonrecurring basis:				
Collateral dependent loans	\$ -	\$ -	\$ 889	\$ 889

	December 31, 2023			
	Level I	Level II	Level III	Total
Assets measured at fair value on a nonrecurring basis:				
Collateral dependent loans	\$ -	\$ -	\$ 590	\$ 590

15. FAIR VALUE MEASUREMENTS (Continued)

Collateral Dependent Loans

Collateral dependent loans consisted of primarily of loans secured by nonresidential real estate. Management has determined fair value measurements on collateral dependent loans primarily through evaluations of appraisals performed. Due to the nature of the valuation inputs, collateral dependent loans are classified within Level 3 of the hierarchy.

The Company considers the appraisal or evaluation as the starting point for determining fair value and then considers other factors and events in the environment that may affect the fair value. Appraisals of the collateral securing collateral-dependent loans are obtained when the loan is determined to be collateral-dependent. Appraisals are reviewed for accuracy and consistency by the Company's Chief Credit Officer. Appraisers are selected from the list of approved appraisers maintained by management. The appraised values may be reduced by discounts to consider lack of marketability. Appraised values are reduced by estimated costs to sell if repayment or satisfaction of the loan is dependent on the sale of the collateral. These discounts and estimates are developed by the Company's Chief Credit Officer by comparison to historical results.

The following table presents additional quantitative information about assets measured at fair value on a nonrecurring basis for which the Company uses Level III inputs to determine fair value (in thousands):

		Quantitative Information About Level III Fair Value Measurements							
		Fair Value at	Fair Value at	Valuation Techniques	Unobservable Inputs	December 31, 2024		December 31, 2023	
		December 31, 2024	December 31, 2023			Range	Weighted Average	Range	Weighted Average
Collateral					Discount for time since				
dependent loans	\$	889	\$	590	Appraisal of	0% - 50%	10.43%	0% - 50%	5.42%
					collateral (1)	0% - 10%	9.00%	0% - 10%	9.70%
					Selling costs				

- (1) Fair value is generally determined through independent appraisals of the underlying collateral, which generally include various Level III inputs that are not identifiable.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of the Company's financial instruments not required to be reported at fair value at December 31 are as follows (in thousands):

		2024				
		Carrying Value	Fair Value	Level I	Level II	Level III
Financial assets:						
Investment securities:						
Held to maturity	\$	8,818	\$ 7,812	\$ -	\$ 7,812	\$ -
Net loans		447,075	439,933	-	-	439,933
Financial liabilities:						
Deposits	\$	597,524	\$ 596,417	\$ 421,006	\$ -	\$ 175,411
		2023				
		Carrying Value	Fair Value	Level I	Level II	Level III
Financial assets:						
Investment securities:						
Held to maturity	\$	9,402	\$ 8,470	\$ -	\$ 8,470	\$ -
Net loans		437,298	427,530	-	-	427,530
Financial liabilities:						
Deposits		525,718	521,716	371,029	-	150,687
Short-term borrowings	\$	27,000	\$ 27,003	\$ 27,003	\$ -	\$ -

For cash and cash equivalents, regulatory stock, bank-owned life insurance, loans held for sale, accrued interest receivable, and accrued interest payable, the carrying value is a reasonable estimate of fair value.

17. SEGMENT REPORTING

ASC Topic 280, Segment Reporting, identifies operating segments as components of an enterprise which are evaluated regularly by the Company's chief operating decision maker, our President and Chief Executive Officer, in deciding how to develop strategy, allocate resources and assess performance.

While the Company monitors the revenue streams of the various products and services, operations are managed, and financial performance is evaluated on an entity-wide basis. The Company provides a variety of banking and financial services to individuals and corporate customers in Muskingum and surrounding counties of Central Ohio. Its primary deposit products are checking, savings and term certificate accounts, and its primary lending products are commercial, residential and construction mortgages, small business and consumer loans. The Company's wealth management services include brokerage, financial planning, and retirement planning.

Management has determined that the Company has one reportable segment consisting of Community Banking. Operating segments are aggregated into one segment, as operating results for all segments are similar. Accordingly, all the financial service operations are considered by management to be aggregated in one reportable operating segment.

The accounting policies for the Community Banking segment are the same as those of our consolidated entity.

The chief operating decision maker assesses performance and decides how to allocate resources based on net income that also is reported on the Consolidated Statement of Income as consolidated net income. The measure of segment assets is reported on the Consolidated Balance Sheet as total consolidated assets.

17. SEGMENT REPORTING (Continued)

Net income is used to monitor budget versus actual results. The chief operating decision maker uses two primary performance measures to gauge performance: return on average assets (ROA) and return on average equity (ROE). ROA measures how efficiently a bank generates income based on the amount of assets or size of a company. ROE measures the efficiency of a company in generating income based on the amount of equity or capital utilized. The chief operating decision maker also uses net income in competitive analysis by benchmarking to the Company's competitors.

18. SUBSEQUENT EVENTS

Management has reviewed events occurring through March 11, 2025 the date the financial statements were issued, and no subsequent events occurred that require accrual or disclosure.

BOARD OF DIRECTORS

TERRY GOSS, *Chairman*
DOUG WALTMAN, *Vice Chairman*
JOHN ALLEN, *Secretary*
BRANDON HESS

ERIC HOLSKY
MONICA MARTINELLI
TOM BARONE

MANAGEMENT/OFFICERS

ADELE GALL
SVP/Chief Financial Officer

ANDREA WINCE-WISEMAN
Crooksville Office Manager

ASHLEY NOTT
Assistant Investment Officer

AMBER GIBSON
VP/South Zanesville Office Manager

ANGIE GRIGG
East Zanesville Office Manager

BECKY VANSICKLE
VP/Frazeytsburg Office Manager

BLAIR BARCLAY
AVP/Downtown Zanesville Office Manager

BRENT MIRGON
VP/Business Development Officer

CLIFF MADEWELL
VP/Senior Financial Analyst

CAM ZAKANY
AVP/Controller

CHRIS CLEWELL
VP/Investment Officer

CINDY RICE
VP/Employment Development Officer

CORTNEY HILES
AVP/Secondary Market Coordinator/
Loan Systems Administrator

DERRICK GINGERICH
VP/Business Development Officer

ERIC HOLSKY
President/CEO

ERIKA POLLARD
AVP/West Market Mortgage Officer

GIDGET COTTRELL
VP/Compliance/S.A.F.E. Act Officer

JENNY SNODE
VP/Financial Services/Deposit Product
Development Officer

JESSICA BOWERS
VP/Marketing Officer

JESSICA PRITCHARD
AVP/Credit Admin Manager

JIM HOLMAN
SVP/West Market Leader

JOE ALLEN
SVP/Central Market Leader

JORDAN WEST
AVP/Deposit Operations Officer

KAITLYN NOVARIA
North Zanesville Office Manager

KAITLYN STEVENSON
AVP/Loan Operations Officer

KYLE GREULICH
VP/IT/Information Security Officer

LANCE BENNETT
SVP/Credit Risk Officer

LEXI HILL
Mortgage Loan Specialist

LISA KARLING
AVP/Central Market Mortgage Officer

MATT ALLRED
AVP/New Concord Office Manager

MICHAEL LIGHTLE
VP/Business Development Officer

MICHELLE WILLIAMS
VP/Human Resources Officer

MOLLY FISHER
AVP/Universal Banker

NAT SCHNEIDER
AVP/Business Banker

PATSY SAMSON
AVP/Universal Banker

PAUL RAGIAS
SVP/Chief Operations Officer

RACHEL HOLDSWORTH
AVP/Newark Office Manager

RICK AICHELE
VP/Consumer Lending

ROB SMITH
Business Banker

RON DAVIS
SVP/Senior Financial Officer

RUSTY PARSONS
Cambridge Office Manager

SCOTT WOODS
AVP/Project Manager

SHANDON GINGERICH
VP/Banking Offices Administrator

SHARON GEORGE
Mortgage Loan Specialist

SUSIE WILLISON
VP/Digital Banking Officer

TESSA HARRIS-CRAYCRAFT
West Zanesville Office Manager

TOM WEEKS
VP/Senior Residential Mortgage Underwriter

TRICIA BURROW
AVP/Collections Manager

TRISH BALL
Mortgage Loan Specialist

TRISH LOOMIS
AVP/BSA/Safety & Security Officer

OFFICE & ATM LOCATIONS

Cambridge Downtown Office and ATM

902 Wheeling Avenue
Cambridge, Ohio 43725
740.432.4957

Crooksville Office

42 East Main Street
Crooksville, Ohio 43731
740.982.5010

Downtown Zanesville Office and ATM

113 North Fifth Street
Zanesville, Ohio 43701
740.454.1600

East Zanesville Office and ATM

4990 East Pike
Zanesville, Ohio 43701
740.452.2072

Frazeyburg Office and ATM

10 West Third Street
Frazeyburg, Ohio 43822
740.828.3500

Heath Lending Center and ATM

1102 Hebron Road
Heath, Ohio 43056
740.522.8900

Johnstown Lending Center

580 W. Coshocton Street
Johnstown, Ohio 43031
740.487.9523

Newark Downtown Lending Center

15 N. Third Street
Newark, Ohio 43055
740.454.1600

Newark Office and ATM

835 North 21st Street
Newark, Ohio 43055
740.915.6820

New Concord Office and ATM

199 West Main Street
New Concord, Ohio 43762
740.826.1100

North Zanesville Office and ATM

3795 NorthPointe Drive
Zanesville, Ohio 43701
740.450.3500

South Zanesville Office and ATM

2750 Maysville Pike
Zanesville, Ohio 43701
740.454.2265

West Zanesville Office and ATM

3960 Dillon Falls Road
Zanesville, Ohio 43701
740.450.2781

Additional ATM Locations

Crooksville ATM

91 South Buckeye Street
Crooksville, Ohio 43731

Dresden ATM

67 W. Dave Longaberger Avenue
Dresden, Ohio 43821

Zanesville ATM

1103 Linden Avenue
Zanesville, Ohio 43701



113 North Fifth Street
Zanesville, Ohio 43701
740.453.0620



THANK YOU FOR CHOOSING LOCAL