



Bank of Edmonson County





To our Customers, Stockholders, Associates, and Friends:

We are proud to report to you Bank of Edmonson County's progress for the year 2020. Our return on assets was 1.2 and our year-end capital ratio was 11.4.

The year of 2020 saw challenges that were unprecedented in this century. Through it all, our employees persevered and were loyal team players while being asked to do what they never imagined they could. Twenty-two weeks of 2020, almost half the year, the Bank was operated at half-staff present on Bank premises to ensure no vast spread of COVID-19. That takes a lot of cross training and teamwork, and our employees stepped up to the challenge to do their jobs plus take on the duties of others. We are fortunate to employ the best and brightest in south central Kentucky and are so thankful for our Bank family.

We wish to express our appreciation to our stockholders and board of directors. It is through their leadership and unwavering support that we have been able to continue our ambition. Without our stockholders assurance, from both their investment and trust, success at this level would be impossible. It is with the guidance of our board of directors we continue to serve our communities while maintaining the traditions upon which we were founded.

Bank of Edmonson County is a home-owned and operated community bank that is still in the business of helping our neighbors and friends. As Bank of Edmonson County continues to grow in the coming years, our philosophy of people being our first priority will continue.

Michelle Coleman
Chief Executive Officer

Alexander Ulm
President



Bank of Edmonson County

2019 ANNUAL REPORT

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Board of Directors



Larry L. Skaggs
 RETIRED
 KENTUCKY STATE WATER PATROL

Jerry L. Meredith
 MAYOR OF BROWNSVILLE

Alexander Ulm
 PRESIDENT

Marcia S. Lindsey
 RETIRED
 BANK OF EDMONSON COUNTY

Michelle Coleman
 CHIEF EXECUTIVE OFFICER

Jeanne Alexander Patton
 CHAIRMAN OF THE BOARD

Phyllis Woodcock Miller
 RETIRED
 EDMONSON COUNTY SCHOOLS

Honoring Jo Ann Cassady

After 44 years of service, this life-long member of the Bank family retired in December from Bank of Edmonson County.

She began her career at the bank as a 17-year-old bookkeeper, and Jo Ann Cassady clearly remembers her first day.

“It was August 16, 1976 and even then I was impressed with the family atmosphere of this workplace,” she recalled in 2016 when she and close friend Judy Russell were honored with 40-year pins. “That hasn’t changed, either. We think we’re a big family. We’ve been here for weddings, births, baptisms, you name it; we’ve been here for each other.”

In her time at The Bank, Jo Ann has served as Senior Bookkeeper, Teller, Loan Teller, Assistant Cashier, Compliance Officer, Assistant Vice President, Vice President, and she retired as Senior Vice President. She is a graduate of the KBA General Banking School, the KBMI Loan School, and has her Associates Degree in Banking from Western Kentucky University. She has not only worked diligently for customers of the bank, she has volunteered in many activities and events in the community.

The Bank and her customers will miss Jo Ann, but she will take some great memories into well-earned retirement.

“This is a special place, and it has provided me with some priceless memories,” she added. “From my first Christmas bonus to my emotional last day, The Bank has been my second home and I’m eternally grateful for my 44 years here.”



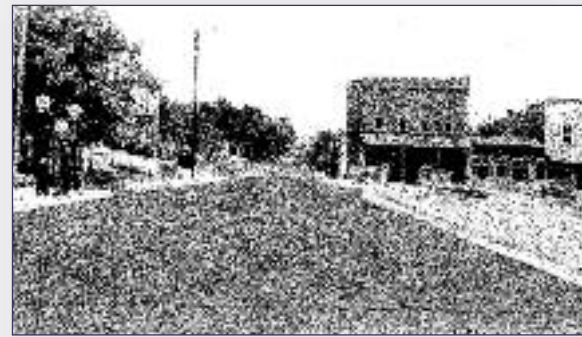
The Bank's 95th Year Is Possibly the Most Memorable

Bank of Edmonson County was established on October 5, 1925. On that day the dreams of five men came to life as the doors of the bank were opened and the people of Edmonson County were given a choice of where they conducted their banking. The planning of founders Jesse T. Alexander, his brothers Luther F.



Downtown Brownsville has changed drastically since the Bank was founded on October 5, 1925.

Alexander and David W. Alexander, George W. Woodcock and N.E. (Ed) Vincent had paid off. The leadership of these men would be pivotal in the coming years as the Great Depression hit our nation in 1929. Although a young institution, Bank of Edmonson County was able to keep its doors open. In 1933 Bank of Edmonson County became a member of the Federal Deposit Insurance Corporation, thus reinforcing the trust of the Bank's customers. As the lean years of the Depression from 1929 to 1937 came to a close, Bank of Edmonson County's resources began to climb. This trend continued over the next couple of decades and by 1954 the Bank's assets had reached \$1 million. Growth continued and assets again doubled by the end of that decade.



The vision of founders Jesse T. Alexander, Luther F. Alexander, David W. Alexander, George W. Woodcock and N.E. (Ed) Vincent was revealed in the Bank's first office in Brownsville.

Progress created the need for facilities

With the continued steady growth of the bank came the need for larger facilities. In 1969, Bank of Edmonson County purchased the south side of the Brownsville public square and after the State Banking Commissioner and FDIC granted permission, construction began on the new bank that still serves as the headquarters of our operation. The new building was a two-story building, but only the first floor was finished and utilized at the time of completion. The new facility's doors were opened on June 26, 1971, and the steady growth of the bank continued at the new location. By 1977 Bank of Edmonson County had reached the \$10 million mark in assets, and as the decade came to a close, the second floor of the bank was finished to accommodate continued successful growth. Throughout the 1980s the Bank continued to grow as customers continued to put trust in the institution. Assets grew from \$15 million to \$50 million by the end of the decade. This



The Bank purchased the south side of the Brownsville public square in 1969 and built the main office, which opened June 26, 1971.

growth led to the need for another expansion in 1989. The 1989 expansion included the building of five new offices on the west side of the building that would serve as the loan department.

A noteworthy milestone

During the 1990s the American economy experienced tremendous growth and Bank of Edmonson County was no different. By 1997 the Bank reached another great milestone as assets surpassed the \$100 million mark. The tremendous growth through the 90s led to the need for another physical expansion. Plans were made and in 2001 Bank of Edmonson County completed this expansion which added eight new offices, extra storage space, and a new conference room. Growth in Brownsville had been steady for well over half of a century and this success led to the Bank looking for opportunities to better serve its customers and grow its market area.

Expansion to Bowling Green

After much thought and planning, Bank of Edmonson County announced plans to build its very first branch which would be located on the north side of Bowling Green. It was a decision that had been carefully studied by the board of directors and management and would prove to be a good fit for the Warren County market. The doors of the branch were opened on October 24, 2004, and it has experienced steady



The Bank's first branch opened in Bowling Green on October 24, 2004 and has experienced steady growth since its first day of business.

growth since its first day of business. Along with market expansions and physical growth, customers began looking for new, cutting-edge technologies and Bank of Edmonson County invested in technologies including five convenient ATMs, a 24-hour automated 1-800 number, Internet Banking and Internet Bill Pay.

Expansion of facilities was again needed and in 2009 the bank completed construction of a new operations center on the northeast corner of the square in Brownsville. This facility is a state of the art building that houses the Bookkeeping and Loan Operations Departments. The building also houses the bank's computer servers and technology equipment.



The new Operations Center opened in 2009 to prepare for the technological demands of a growing customer base.

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The Bank's third branch opened in neighboring Smiths Grove with a ribbon cutting ceremony on September 24, 2015.

Smiths Grove presents opportunity

2014 was a successful year for Bank of Edmonson County. The year began with a successful transition to new leadership with another record year of earnings for the bank's shareholders and came to a close with the bank purchasing property on Main Street in Smiths Grove and applying to the FDIC for a new branch location to serve the needs of Smiths Grove and its citizens. Though plans were started in late 2014 for the new Smiths Grove branch, 2015 would see the development of those plans. In early 2015 architects completed drawings for the new office and the bidding process began. After awarding the contract to a local contractor, directors, officers, and employees of the bank were joined by community leaders, citizens and customers to break ground for the

new facility on April 23 and the project was completed with a Ribbon Cutting and Grand Opening Ceremony that was attended by over 200 on September 24. The employees at the Smiths Grove branch opened their first accounts that afternoon and the office has seen steady growth in both loans and deposits since that very first day.

High-tech and High-touch

2016 was a year of new innovation for Bank of Edmonson County. With the addition of our Mobile Banking App with Remote Deposit Capture to our Online Banking services, it showed another way we continued to strive for customer convenience and satisfaction.

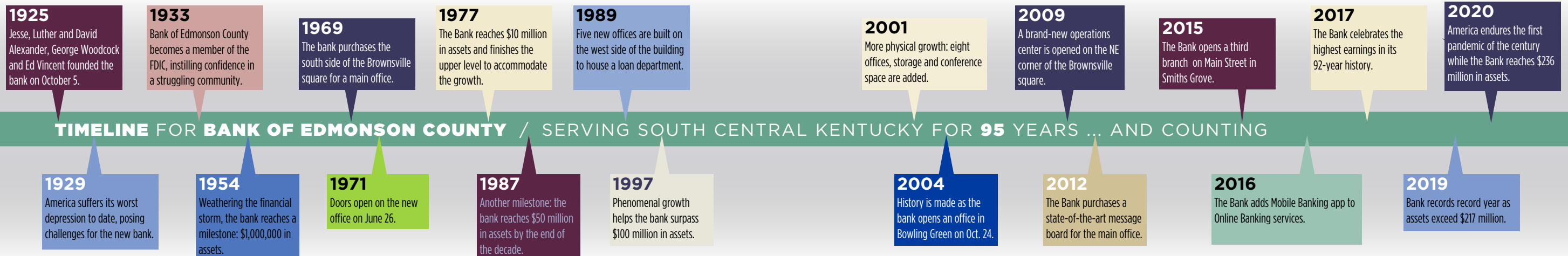
After 94 years of service to this region, one would feel assured The Bank had seen it all. The 95th year, however, presented unprecedented challenges to the world, including south central Kentucky. Technology can be life-changing, but the heroes of 2020 were The Bank's employees. They stepped in for each other at a time in which nearly half the year, 22 weeks to be exact, The Bank operated at half-staff to control the spread of COVID-19. Stockholders and Board members also proved to be heroes, providing leadership and stability for a team determined to provide service to this community.

And now, Bank of Edmonson County remains committed to helping our neighbors and friends with the finest customer service, competitive products, and convenient locations while focusing on strengthening, supporting, and giving back to the communities we serve.

BANK of EDMONSON COUNTY
Corporate Values Statement

IN KEEPING WITH THE BANK'S MISSION:

- ✓ **We will provide** superior customer service.
- ✓ **We will generate** attractive growth and earnings for our shareholders.
- ✓ **We will provide** adequate compensation, training and retirement benefits for our employees.
- ✓ **We will continue** to research and provide new products and services to meet the ongoing needs of our customers and banking communities by striving to continue to be a market leader with technological changes.
- ✓ **Our primary lending focus** will be on residential and small commercial real estate lending. Our secondary focus will be retail and small to medium business interests in our established market area.






2020 STAFF LIST

VALERIE ANTLECOLLECTIONS OFFICER	LAURA LINDSEYCONSUMER LOAN OFFICER
BRODY BAGSHAWTECHNOLOGY COORDINATOR	PEYTON MARTINTELLER
DONNA BAGSHAWSVP/DEPOSIT COMPLIANCE OFFICER	MANDEE MCDOUGLECUSTOMER SERVICE REPRESENTATIVE
WHITNEY BARTHBOOKKEEPER	ALANA MCGUIREACCOUNTANT
REBECCA BASHAMSENIOR MORTGAGE LOAN PROCESSOR	MICHAEL MEREDITHLOAN OFFICER
DANIEL BOLTONLOAN OFFICER	RHONDA MEREDITHHUMAN RESOURCES OFFICER
LISA BOOTHAVP/BRANCH MANAGER	KANDI MINTONLOAN COMPLIANCE OFFICER
JENA BROOKSTELLER	TRICIA PRIDDYOPERATIONS CENTER FLOATER
SHAINA BROOKSBOOKKEEPER	ROBIN RENFROAVP / LOAN OFFICER
REBECCA CAMPBELLTELLER	TERESA RICHBSA/DEPOSIT COMPLIANCE ASSISTANT
BEATRICE CASSADYVP / AUDITOR	KEELEY SALINGPART-TIME FLOATING TELLER
JO ANN CASSADYSVP/SENIOR LOAN OFFICER	LESLIE SALINGLOAN OPERATIONS ASSISTANT
DORIS CASTCRA OFFICER	LINDA SALINGPART TIME LOAN OPERATIONS
RENEE CHILDRESSAVP/BRANCH MANAGER	MEGAN SALINGCUSTOMER SERVICE REPRESENTATIVE
MICHELLE COLEMANCHIEF EXECUTIVE OFFICER	ANGELA SALINGSTELLER
MELISSA COLLINSLOAN REVIEWER	HANNAH SANDERSLOAN ASSISTANT
TIFFANY COOTSTELLER	MARIA SPAINHOWARDPART-TIME BOOKKEEPER
LISA COWLESMARKETING OFFICER	EMILY THOMPSONTELLER
SANDRA COWLESCONSUMER LOAN OFFICER	MICHAEL THOMPSONVP/SENIOR LOAN OFFICER
DAWN DECKERTELLER	JESSICA TURNEREXECUTIVE ASSISTANT
LATISHA ELMORETELLER	ALEXANDER ULMPRESIDENT
LATRENIA GRIMESLOAN OPERATIONS ASSISTANT	MELINDA VANMETERDEPOSIT OPERATIONS OFFICER
MARY BETH HAYESCUSTOMER SERVICE REPRESENTATIVE	MELISSA VINCENTNEW ACCOUNTS OFFICER
PAIGE HERRONTELLER	MELISSA WHOBREYLOAN OPERATIONS OFFICER
ERICA KESSINGERMORTGAGE LOAN PROCESSOR	MICHELLE WHOBREYLOAN OPERATIONS ASSISTANT
LOU ANN LANGDONAVP / TELLER OPERATIONS OFFICER	JUDY WILSONTELLER

CONDENSED STATEMENT OF CONDITION

ASSETS	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020
Cash and Due from Banks	\$ 4,908,639.61	\$ 5,952,854.02	\$ 4,600,688.14
Loans and Discounts	159,337,398.87	154,458,714.05	151,323,450.91
U.S. Government Securities	31,989,953.60	33,492,036.94	49,077,010.04
Other Bonds and Securities	10,200,460.20	12,745,088.01	17,650,603.05
Federal Funds Sold	-	4,881,000.00	2,978,000.00
Accrued Interest Receivable	1,082,201.84	1,038,849.65	1,019,702.17
Banking House and Lot	4,227,262.10	4,119,805.63	3,998,934.67
Furniture and Fixtures	428,114.04	364,141.52	267,189.17
Other Assets	120,355.48	328,511.36	5,247,580.40
TOTAL ASSETS	\$212,294,385.74	\$ 217,381,001.18	\$ 236,163,158.55
LIABILITIES			
Capital	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00
Surplus	6,300,000.00	6,300,000.00	8,000,000.00
Undivided Profits	19,187,804.28	19,571,117.21	18,188,598.61
Reserve for Securities	(1,136,849.82)	(67,526.40)	278,578.43
Officers Checks	1,550,759.31	1,937,712.01	1,422,389.49
Accrued Interest Payable	78,043.41	95,353.88	80,392.16
Demand Deposits	67,826,540.34	64,101,299.47	80,177,536.95
Savings Deposits	16,767,462.27	17,953,401.30	22,636,222.41
Certificates of Deposit	90,629,204.97	93,314,350.48	93,298,574.37
Borrowings: FHLB	9,546,421.17	12,798,834.13	10,723,805.69
Federal Funds Purchased	115,000.00	-	-
Other Liabilities	1,029,999.81	976,459.10	957,060.44
TOTAL STOCKHOLDER'S EQUITY AND LIABILITIES	\$212,294,385.74	\$ 217,381,001.18	\$ 236,163,158.55

	\$ 212,294,386	\$ 217,381,001	\$ 236,163,159
TOTAL ASSETS			
	2018	2019	2020

STATEMENT OF INCOME

	2018	2019	2020
OPERATING INCOME			
Interest on loans, late charges & fees	\$ 8,738,508.83	\$ 9,397,787.58	\$ 8,723,695.74
Interest on U.S. Govt Bonds, Agencies	574,227.08	548,427.02	473,720.73
Interest on Municipal Bonds	248,365.11	329,610.14	280,343.76
Interest on Federal Funds	18,490.42	93,799.69	23,897.88
Interest on FHLB	128,230.70	115,578.26	50,140.32
Other Income; service charges, club fees, credit life, lock boxes	983,142.81	964,981.98	1,112,088.85
TOTAL INCOME	\$ 10,690,964.95	\$ 11,450,184.67	\$ 10,663,887.28
OPERATING EXPENSE			
Salaries, directors' fees, committee fees	\$ 2,317,648.93	\$ 2,340,092.15	\$ 2,441,050.18
Employee benefits			
Profit sharing plan, insurance, etc.	661,862.01	751,766.12	734,287.97
Interest - CDs, IRAs, Passbook & DDA	1,423,053.88	1,861,372.96	1,851,148.33
Interest on FHLB advances	143,766.00	406,238.84	361,983.55
Interest on Federal Funds	31,093.76	1,470.52	-
Occupancy			
Taxes, repairs, utilities & depreciation	805,456.07	806,718.42	781,633.78
Loan loss provision	113,000.00	475,000.00	100,000.00
Legal, examinations & audit	260,763.52	238,056.14	238,056.14
FDIC insurance	62,167.17	28,683.61	28,683.61
Estimated Federal Income Tax	-	-	-
Data processing	772,524.45	739,561.57	755,994.75
Other operating expense; advertising, supplies, insurance, telephone, travel, seminars, postage, equipment service	778,221.57	658,860.12	652,618.86
TOTAL EXPENSES	\$ 7,369,557.36	\$ 8,307,820.45	\$ 7,945,457.17
NET INCOME	\$ 3,321,407.59	\$ 3,142,364.22	\$ 2,718,430.11



STATEMENT OF CHANGE IN CAPITAL FUNDS

	CAPITAL STOCK	CAPITAL SURPLUS	UNDIVIDED PROFITS
Balance Dec. 31, 2019	\$ 400,000.00	\$ 6,300,000.00	\$ 19,570,168.50
Net Income for the year 2020			2,718,430.11
Cash Dividends (March, June, September, December = \$20.00/share)			(2,400,000.00)
Transfer to Surplus		1,700,000.00	(1,700,000.00)
Balance Dec. 31, 2020	\$ 400,000.00	\$ 8,000,000.00	\$ 18,188,598.61
Capital Funds			
Capital stock authorized shares \$10.00 par value - 40,000 shares issued and outstanding			\$ 400,000.00
Capital Surplus			8,000,000.00
Undivided Profits			18,188,598.61
Total Capital Funds			\$ 26,588,598.61
BOOK VALUE PER SHARE			
EDMONSON BANCSHARES, INC. DECEMBER 31, 2020 \$26,588,598.61 / 120,000 = \$221.57			
Book Value 12/31/19 \$26,270,168.50 / 120,000 = \$218.91			
Book Value 12/31/18 \$25,887,804.28 / 120,000 = \$215.73			
Book Value 12/31/17 \$25,566,396.69 / 120,000 = \$213.05			





The Bank's Operations Team – Renee Whobrey, Melinda VanMeter, Maria Spainhoward, and Melissa Collins – show off some of 2020's most prized possessions: hand sanitizer, toilet paper, disinfectant spray, and sanitizing wipes.



Smiths Grove branch team member Megan Saling isn't taking any chances



Mike Thompson prepares to close his loans, COVID style



Main Office Loan Officers Jo Ann Cassidy, Laura Lindsey, and Robin Renfro are ready for their customers.




Bowling Green Branch Manager Renee Childress stocks and restocks all the Lysol to keep everyone safe.

CHARITABLE CONTRIBUTIONS AND COMMUNITY ACTIVITIES

- Alzheimer's Association
- American Cancer Society Relay for Life
- Barren River Area Safe Space
- Bowling Green Area Chamber of Commerce
- Briarwood Elementary Dollars and Cents Program
- CHC Hospitality House Sponsor
- ECMS Veterans Day Program
- ECMS Veterans Day Patriot Pen Essay Contest
- Edmonson County Anti-Drug Coalition
- Edmonson County Chamber of Commerce
- Edmonson County Community Education Council
- Edmonson County High School Career Day
- Edmonson County Lions Club
- Edmonson County Lions Club Christmas Parade
- Edmonson County Lions Club Fair Day Parade
- Edmonson County Parks and Recreation Freedom Fest
- Edmonson County Saddle Club Spring Horse Show
- Edmonson County Schools Back to School Bash
- Edmonson County Schools Sports Booster Clubs
- Edmonson County Senior Pantry
- Edmonson County Tourism Board
- Feeding America Edmonson County Backpack Program
- Friends of Nolin Lake
- Friends of the Lost River, Inc.
- Governor's Scholars Program
- Junior Achievement
- KBA Banking Schools
- Kentucky State Gospel Singing Convention
- Kids On The Block
- Kyrock Elementary School Career Day
- Leadership Edmonson County
- Lifeskills, Inc. Board of Directors
- National Child Safety Council
- Newspaper in Education
- North Warren Elementary School Community Day
- PEP (Preserving Edmonson Pride)
- Reality Store (ECMS)
- S.T.O.P. (Students Targeting Outside Pressures)
- Santa's Helping Hands
- SKyPAC
- Smiths Grove Lions Club Car Show
- South Central Kentucky Kids on the Block Inc.
- South Edmonson Elementary School Leadership Night
- Teach Children to Save
- Warren East Schools Sports Booster Clubs
- Washington Meredith Lodge Car Show
- You're Not a Kid Anymore (ECHS)
- Youth Service Center Advisory Board



Bank of Edmonson County

MEMBER FDIC / EQUAL HOUSING LENDER 

109 North Main Street
Brownsville, Kentucky 42210
(270) 597-2175

6780 Louisville Road
Bowling Green, Kentucky 42101
(270) 793-0033

156 South Main Street
Smiths Grove, Kentucky 42171
(270) 563-0001

