

2024

ANNUAL REPORT MONTICELLO BANKSHARES, INC.

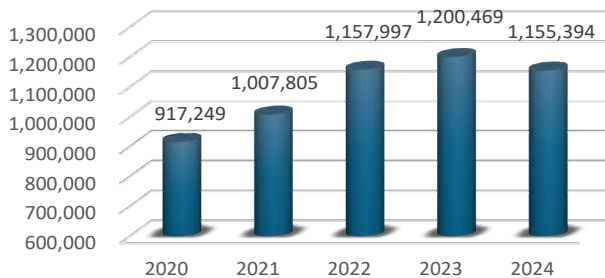


Note to Shareholders

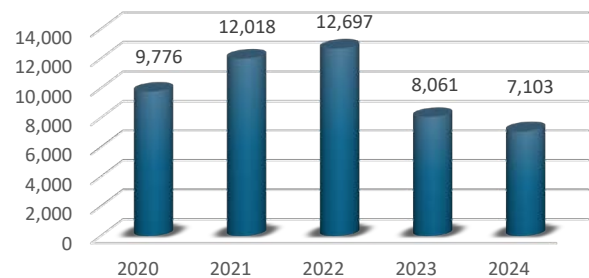
The banking industry continued to adapt to elevated interest rates through midyear with some reprieve coming with the first cut by the FOMC in September of 2024. This was the first of three consecutive rate cuts through the end of the year that improved earnings and enhanced the outlook for 2025. Monticello Bankshares, Inc. (MBI) and its subsidiary Monticello Banking Company (MBC) was duly affected by the resulting market conditions which adversely impacted liquidity. MBI responded to the needs of the bank by increasing its leverage and injecting additional capital into MBC.

After much consideration, the bank chose to close one of the three offices in the Bowling Green Market with the majority of relationships being retained and served by the Hartland and Cave Mill offices. MBC now has 20 retail offices located in 14 counties in Kentucky. We continue to look for strategic opportunities for growth.

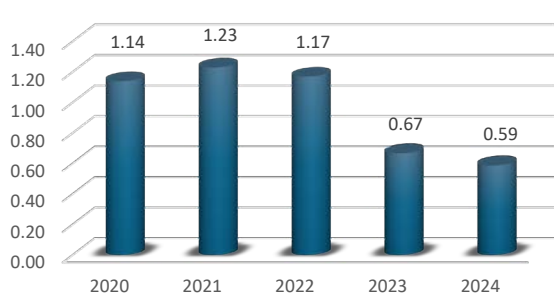
**Monticello Bankshares Inc.
Total Assets**



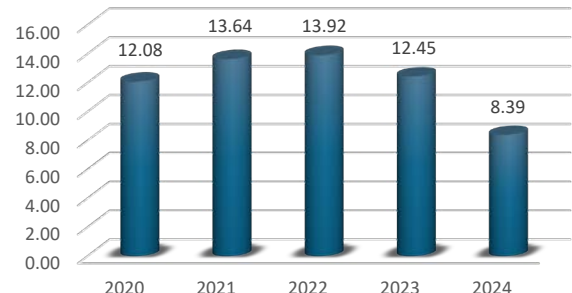
**Monticello Bankshares Inc.
Net Income**



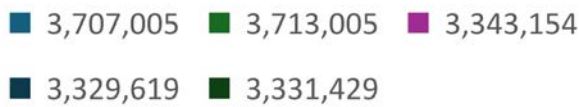
**Monticello Bankshares Inc.
Return on Assets**



**Monticello Bankshares Inc.
Return on Equity**



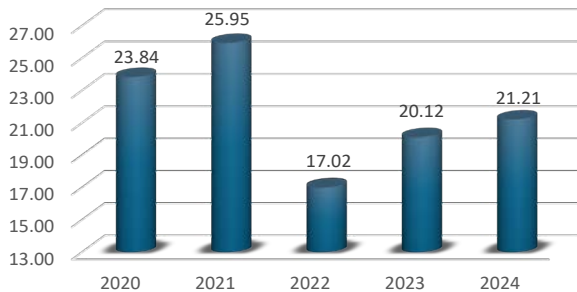
Monticello Bankshares Inc. Total Shares



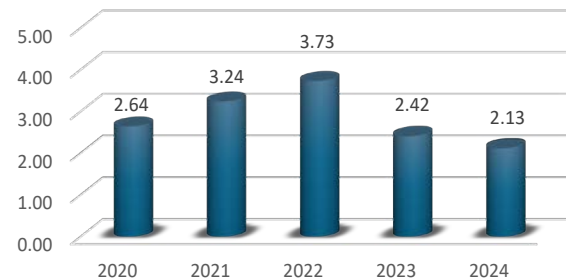
Corporate Profile

Monticello Bankshares, Inc. was established in 1982 to provide strength and oversight for its wholly owned subsidiary, the Monticello Banking Company (MBC). MBC is a Kentucky commercial bank chartered in 1895 with its corporate office located in Monticello. The bank has operated under the same name and at the same location since its inception. MBC operates twenty full service community banking offices in fourteen counties across Kentucky. MBC offers a wide range of banking and investment services which are provided through our branch offices and our growing internet presence. We would like the opportunity to serve all of your financial needs. Please call or visit our offices at your convenience and visit us online at www.mbcbank.com.

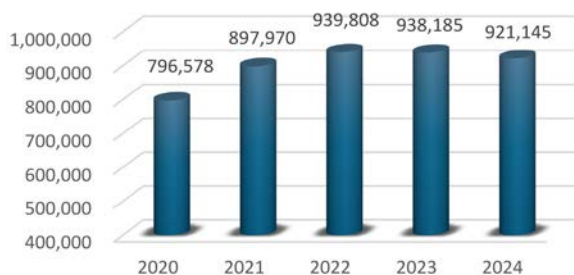
Monticello Bankshares Inc. Book Value



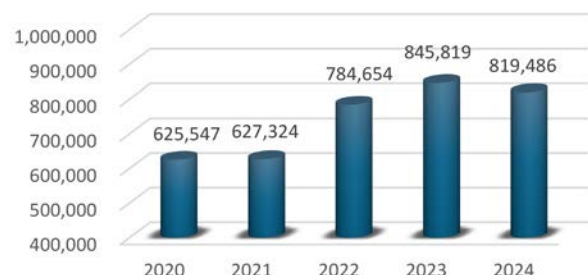
Monticello Bankshares Inc. Earnings Per Share



Monticello Bankshares Inc. Total Deposits



Monticello Bankshares Inc. Net Loans



Statement of Financial Condition

Consolidate for the Year Ended December 31, 2024

(Dollar amounts in thousands except for per share data)

Assets	<u>2024</u>	<u>2023</u>
Cash and due from financial institutions	\$ 6,316	\$ 6,121
Interest bearing deposits in other financial institutions	<u>16,204</u>	<u>29,821</u>
Total Cash and Equivalents	22,520	35,942
Securities available-for-sale	234,386	245,901
Loans, net of allowance of \$9,577 and \$9,816	819,486	845,819
Restricted investments	8,270	8,061
Accrued interest receivable	5,006	5,261
Premises and equipment, net	25,253	23,767
Goodwill	1,000	1,000
Bank owned life insurance	23,802	19,480
Core deposit intangible	121	288
Other assets	<u>15,550</u>	<u>14,950</u>
Total Assets	<u>\$1,155,394</u>	<u>\$1,200,469</u>
Liabilities and Stockholders' Equity		
Non-interest bearing	\$ 64,243	\$ 69,931
Interest bearing	<u>856,902</u>	<u>868,254</u>
Total Deposits	921,145	938,185
Federal Home Loan Bank advances	117,000	117,000
Federal Reserve borrowings	15,000	61,000
Long term debt	25,000	10,000
Accrued interest payable	1,959	2,378
Other liabilities	<u>4,615</u>	<u>4,912</u>
Total Liabilities	1,084,719	1,133,475
Stockholders' Equity		
Preferred stock, \$5 par value; 50,000 shares authorized; 18,880 and 19,200 issued in 2024 and 2023, respectively; 18,075 and 18,395 outstanding in 2024 and 2023 respectively	90	92
Common stock, \$5 par value; 7,030,979 shares authorized; 3,316,354 and 3,315,724 issued in 2024 and 2023 respectively; 3,313,354 and 3,311,224 outstanding in 2024 and 2023, respectively	16,567	16,556
Additional paid-in capital	2,221	2,173
Retained earnings	77,704	73,534
Accumulated other comprehensive income (loss)	<u>(25,907)</u>	<u>(25,361)</u>
Total Stockholders' Equity	70,675	66,994
Total Liabilities and Stockholders' Equity	<u>\$1,155,394</u>	<u>\$1,200,469</u>

Statement of Income

Consolidated for the Year Ended December 31, 2024

(Dollar amounts in thousands except for per share data)

	<u>2024</u>	<u>2023</u>
Interest Income		
Loans, including fees	\$48,218	\$42,759
Taxable investment securities	2,934	2,738
Tax-exempt investment securities	3,461	3,732
Federal funds sold and other	1,351	1,296
Total Interest Income	<u>55,964</u>	<u>50,525</u>
Interest Expense		
Deposits	15,861	10,668
Other borrowed funds	10,447	9,079
Total interest expense	<u>26,308</u>	<u>19,747</u>
Net interest income	29,656	30,778
Provision for Credit Losses	(714)	318
Net interest income after provision for credit losses	30,370	30,460
Non-Interest Income		
Service charges and fees on deposits	2,355	2,528
Net gain on sale of securities	-	74
Mortgage banking income	37	102
Increase in cash value of life insurance	626	477
Interchange fees	1,859	1,886
Gain on sale of asset	8	91
Other income	1,067	928
Total non-interest income	<u>5,952</u>	<u>6,086</u>
Non-Interest Expense		
Salaries and employee benefits	16,251	15,292
Furniture, fixtures and occupancy	3,684	3,290
Legal and professional	780	609
Advertising and marketing	439	541
Franchise taxes	405	420
Directors fees	516	473
FDIC insurance	890	910
Write down and loss on sale of other real estate owned	-	85
Other operating expenses	4,874	5,142
Total non-interest expense	<u>27,839</u>	<u>26,762</u>
Income before income taxes	8,483	9,784
Income tax expense	\$ 1,380	\$ 1,723
Net income	<u>\$ 7,103</u>	<u>\$ 8,061</u>
Other comprehensive income (loss)		
Change in unrealized gain (loss) on available-for-sale securities, net of income taxes of (\$181) for 2024 and \$2,194 for 2023	\$ (546)	\$ 6,600
Less: realized (gain) loss on available for sale securities, net of income taxes of \$0 for 2024 and \$16 for 2023	\$ -	\$ (58)
Comprehensive income	<u>\$ 6,557</u>	<u>\$14,603</u>
Earnings per share		
Basic and diluted	\$2.13	\$2.42

Monticello Bankshares, Inc.

Board of Directors



Kenneth Ramsey
Chairman



Dr. James K. Phillips, Jr.
Vice Chairman



Kenny Ramsey
President & CEO



Mike Blevins



D. Mack Butler



Earl Croushorn II



Carolyn Harris



Van Phillips



Louie Wright



Elaine Bertram
Board Secretary



Heather Pamley
Board Asst Secretary

Monticello Banking Company

Board of Directors



Dr. James K. Phillips, Jr.
Chairman



Mark Goss
Vice Chairman



Kenny Ramsey
President & CEO



Mike Blevins



Sam Brown



D. Mack Butler



Matt Ford



Frank Phillips



Kenneth Ramsey

Executive Management



Kenny Ramsey
President & CEO



Regina Brinson
Chief Operations Officer



Elaine Bertram
Sr Operations Officer



Becky Dolen
Chief Human Resource Officer



Brandon Dunnington
Risk Management Officer



Sandra Frost
Chief Financial Officer



Rick McClendon
Chief Credit Officer



Randy Parsons
Chief Technology Officer

MBC-Corporate



Kenny Ramsey
President & CEO



Regina Brinson
Chief Operations Officer



Heather Parmley
Executive Assistant



Natasha Tucker
Executive Assistant

Finance & Accounting



Sandra Frost
Chief Financial Officer



Dillon Staples
VP of Finance



Crystal Crabtree
Financial Accounting



Brigit Guffey
Financial Accounting Asst



Gracie Chaplin
Financial Accounting Rep



Tabatha Decker
Deposit Operations Mgr



Tabitha Dobbs
Deposit Operations Asst Mgr



Dakota Burnette
Deposit Operations Rep



Melissa Crabtree
Deposit Operations Rep



MacKenzie Foster
Deposit Operations Rep



Sylvia McGinnis
Deposit Operations Rep



Elissa Phipps
Deposit Operations Rep



Brandi Rednour
Deposit Operations Rep



Raychel Troxell
Deposit Operations Rep



Ashley Tucker
Deposit Operations Rep



Ashley Estep
Mobile Deposit
Specialist Mgr



Megan Ewing
Mobile Deposit Specialist

Human Resources



Becky Dolen
Chief Human Resource
Officer



Barbara Criswell
Human Resource Mgr



Kayla Asberry
HR Asst Mgr



Amanda McGinnis
HR Asst



Kimberly Stockton
Training Coordinator

Technology



Randy Parsons
Chief Technology Officer



Rickey Brown
Information Technology Mgr



Garrett Coffey
Sr Network Adm



Lyle Peters
Sr Network Adm



Jackie Dennis
Network Adm



Tyler Matney
Network Adm



Amie Pennycuff
Technical Support/
System Operator



Skylar Dishman
Technical Support/
System Operator

Marketing



Barbara Gehring
Marketing Director



Natalie Edwards
eMarketing/Credit Card Mgr



Kendra Jones
Credit Card Specialist

Risk Management



Brandon Dunnington
Risk Management Officer



Pattie Corder
Compliance



Misty Goley
Compliance Auditor



Brandi Browning
Compliance Auditor



Marissa Davis
Audit Asst



Johnna Stearns
BSA Officer



April Troxell
BSA Specialist



Helen Caballero
Fraud Investigations Mgr



Katelyn Brown
Fraud Investigations Rep



Melissa Piercy
Information Security Mgr



Tony Edwards
Corporate Security Asst

Credit Administration & Underwriting



Rick McClendon
Chief Credit Officer



Jonathan Goley
Credit & Underwriting Mgr



Taylor Griggs
Credit Analyst



Rachel Selvidge
Credit Analyst



Hillary Weaver
Credit Analyst



Charity Willis
Credit Analyst



Joe Summers
Appraiser



Kenny Lyons
Appraiser



Steven Jones
Collections Mgr



Bryan Rutherford
Collector



Natalie Hampton
Special Assets/Collections Asst



Jamie Reagan
Loan Processing Mgr



Holly Alton
Loan Processor &
Underwriter



Nora Dishman
Loan Processor &
Underwriter



Megan Duncan
Loan Processor &
Underwriter



Mary Milwee
Loan Processor &
Underwriter

Operations



Elaine Bertram
Sr Operations Officer



Angela Weston
Asst Operations Officer



Christy Parmley
Loan Operations Mgr



Elizabeth Bertram
Loan Operations Rep



Norma Decker
Loan Operations Rep



Lena King
Loan Operations Rep



LaCrisha Hicks
Loan Operations Rep



Susan Warren
Loan Operations Rep



Amy Stewart
Call Center Mgr



Skylin Clark
Call Center Rep



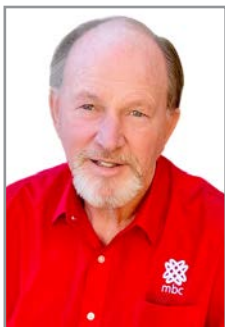
Tiffany Kring
Call Center Rep



Rebecca Preston
Call Center Rep



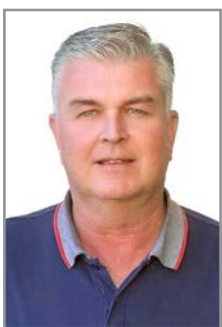
Kelli White
Call Center Rep



Perry Elam
Business Dev & Purchasing
Coordinator



Eddie Norfleet
Courier & Facilities Rep



David Harmon
Courier & Facilities Rep



Hunter Denney
Courier

Main Office



Patty Keith
Head Teller



Kista Gregory
Sr Teller

Highway 90/Barnes Drive



Kevin Rose
Sr Executive Officer



Wendy Neal
Mortgage Lender



David Phillips
Commercial Banker



Renee Adams
Operations & Sales Officer



Shay McGinnis
Head Teller



Jen Herron
Sr Teller



Mackilee Chriswell
Teller



Monica Bertram
Teller



Natalie Reagan
Teller



Melissa Welch
Teller

Downtown



Tim Dalton
Commercial Banker



Billy Hurd
Agriculture Lender



Nadine Simpson
Sr Customer Service Rep



Amy Toler
Head Teller



Stephanie Massengale
Sr Teller



Casi Hancock
Teller



Sharyn Staples
Teller

Tradeway



Jayma Rednour
Commercial Banker



Mary Lois Roberts
Sr Consumer Lender



Amy Hurd
Financial Service Rep



Peggy Humble
Head Teller



Shelia Davis
Teller



Crystal Stinson
Teller

Albany



Willard Johnson
Sr Executive Officer



Debbie Brown
Mortgage Lender



Taylor Ferguson
Consumer Lender



Jessica Duvall
Customer Service Rep



Rachel Adams
Head Teller



Ashley Melton
Sr Teller



Sharon Slaven
Teller

Glasgow



Cynthia Watson
Regional Executive Officer



Amber Bowles
Mortgage Originator



Beth Lutzen
Personal Banker



Cassie Eaton
Financial Service Rep



Marla Edwards
Financial Service Rep



Kim Cannon
Head Teller



Lisa Adwell
Sr Teller

Somerset North



Wally Hudson
Regional Executive Officer/
Sr Lender



Valerie Reynolds
Executive Assistant



Amanda Beshears
Mortgage Lender



Lisa Parkey
Sr Customer Service Rep



Autumn Sears
Financial Service Rep



Mazetta Harden
Head Teller



Jody Bland
Teller



Holly New
Teller

Somerset South



Sheila Compton
Sr Mortgage Lender



Jake Hudson
Personal Banker



Matt Price
Sr Customer Service Rep



Lisa Roy
Operations Mgr



Shelia Hale
Sr Teller



Kippe Burnett
Teller



Jasmine Moore
Teller

Bowling Green Cave Mill



Marvin Stratton
Sr Executive Officer



Drue Walker
Mortgage & Secondary
Market Lender



Kaylen Delph
Commercial Loan Asst



Sabina Vespa
Operations Mgr



Kendra Turner
Sr Teller



Cora Jones
Teller



Kriya Patel
Teller

Bowling Green Hartland



Nick Dunn
Sr Commercial Banker



M'Rae Montville
Commercial Banker



Moranda Gamberini
Head Teller



Johnnie Sledge
Sr Teller



Dianne Woodburn
Sr Teller



Seth Dorsey
Teller

Russell County



Christin Matney
Sr Executive Officer



Nancy Money
Sr Consumer Lender



Cory Roy
Mortgage Originator



Angela Smith
Sr Customer Service Rep



Lisa Roy
Head Teller



Amanda Russell
Sr Teller



Shannon Loveless
Teller



Beth Miller
Teller

Casey County



Melissa McClendon
Sr Executive Officer



Kristi Downs
Sr Customer Service Rep



Karla Riddle
Head Teller



Loretta McDonald
Sr Teller



Sarah Hughes
Teller



Haley Torres
Teller

Harlan Village



Eugene Enix
Sr Executive Officer



Alexis Simpson
Personal Banker



Tina Jones
Head Teller



Melody Dehart
Sr Teller



Tina Farley
Teller

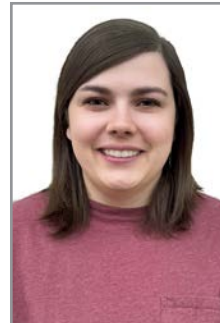
Harlan Mansion



Kevin Cavins
Mortgage Originator



Sheila White
Sr Customer Service Rep



Angel Day
Head Teller



Stephanie Irvin
Sr Teller



Dustin Starrett
Sr Teller



Denise Cadell
Teller



Joy Nolan
Custodian

Danville



Adam Johnson
Sr Executive Officer



Amie Sims
HMDA Data & Loan Asst



Neil Conley
Mortgage Originator



Ree Marksbury
Financial Service Rep



Scottie Collier
Head Teller/CSR



Lauryn Brown
Teller



Joy Rector
Teller

Nicholasville



Steve Brinson
Sr Executive Officer



Tara Popham
Operations Mgr



Kay Corley
Financial Service Rep



Chad Payne
Financial Service Rep

Lexington



Ryan Cooper
Sr Executive Officer



Brad Smither
Sr Commercial Lender



Karey Downey
Loan Assistant/
Head Teller



Bradley Brown
Financial Service Rep



Kellie Coon
Financial Service Rep

Louisville



Tony Raley
Regional Executive Officer



Kezia Ramsey
Retail Branch Manager



Jay House
Customer Service Rep



Anne Wehrley
Head Teller

Richmond



David Soper
Sr Executive Officer



Katelyn Mullins
Personal Banker



Jacob Coffey
Financial Service Rep



Katherine Howard
Head Teller



Kimberly Gamble
Teller

London



Les Sparks
Sr Executive Officer



Traci Maxey
Retail Banking Officer



Cristy Edlin
Loan Assistant



Kimberly Denny
Operations Mgr



Christy Goodin
Financial Service Rep



Leshia Minton
Sr Teller

Shareholder info

Shareholder Inquiries, Stock Transfer or Dividend Payments

If you have inquiries or questions regarding your Monticello Bankshares shareholder account, please call Heather Parmley at (606) 348-1274 or 1-800-909-3420 or write Monticello Bankshares, Inc. • P.O. Box 421 • Monticello, KY 42633

Internet

For information on financial results, products and services, please visit our website: www.mbcbank.com

Corporate Headquarters

Monticello Bankshares, Inc. • 50 N. Main St., P.O. Box 421, Monticello, Kentucky 42633
(606) 348-8411 or 1-800-909-3420

Annual Meeting

The annual meeting of shareholders will be held on Thursday, April 10th, 2025 at the Historic Wayne Theater, 30 N. Main Street, Monticello, Kentucky at 3:30 p.m. EDT.

Dividend Calendar

Dividends, as declared by the Board of Directors, are customarily paid to shareholders of record as follows:

March 1 – payable March 10
June 1 – payable June 10
September 1 – payable Sept. 10
December 1 – payable Dec. 10

Financial Information

For a copy of our audit report, please contact Sandra Frost, Chief Financial Officer at (606) 348-8411 or 1-800-909-3420 or email sfrost@mbcbank.com.

Independent Auditors

Crowe LLP, 9600 Brownsboro Road, Suite 400, Louisville, KY 40241, (502) 326-3996



Bill Hall
Kezia Ramsey



mbi
MONTICELLO BANKSHARES, INC.