

**MIDDLEBURY OFFICERS**

D. Joe Caffee	President & CEO
Sam H. Hoover III	Exec. Vice President
Lance T. Weirich	Senior Vice President & CLO
Jared E. Sponseller	Senior Vice President & CFO
James L. Neff	Senior Vice President
Eric J. Romzek	Senior Vice President
Jessica E. Hamood	Vice President
Darla K. Kauffman	Vice President
Kirsten T. King	Vice President
Jon E. Miller	Vice President
Sue Ann Von Blon	Vice President
Samuel E. Weirich III	Vice President
Julie W. Whitehead	Vice President
Tessa A. Trigg	Assistant Vice President
Jaclyn D. Heath	Controller, Banking Officer
Debbie L. Gordon	Banking Officer
Emilee A. Hendron	Banking Officer
Amanda L. Kindig	Banking Officer
Rebecca L. Yoder	Banking Officer

**BOARD OF DIRECTORS**

Joe A. Smucker	Chairman of the Board, Retired President, Parkland Plastics Inc.
D. Joe Caffee	President and CEO, First State Bank and CVFC
Sam H. Hoover III	Exec. Vice President, First State Bank and CVFC
Derald L. Bontrager	Retired President, Jayco, Inc.
Carl D. Eash	Retired Business Owner and Real Estate Investor
Cynthia S. Gillard	Partner, Warrick & Boyn LLP
Kip B. Ellis	President, Powersports, Technology and Housing, Patrick Industries, Inc.
Anne F. Hayes	President, Hayes Towers
Cameron D. Boyer	Vice President, Brinkley RV

**GOSHEN OFFICERS**

Duane R. Miller	Senior Vice President
Louis W. Gerber	Vice President & CCO
Jeff D. Showalter	Vice President
Lynda L. Hershberger	Assistant Vice President

**ELKHART OFFICERS**

Sheila L. Gordy	Senior Vice President
Patrece D. Yates	Senior Vice President & Trust Officer
Duane S. Klein	Vice President
Shannon G. Klein-Bruggeman	Vice President & Trust Officer
Nicholas B. Corpe	Assistant Vice President
Lori A. Faltynski	Assistant Vice President

**SOUTH BEND OFFICERS**

Dana D. Trowbridge	Senior Vice President
Elizabeth L. Groulx	Vice President

**CRYSTAL VALLEY FINANCIAL CORPORATION**

The directors and management of Crystal Valley Financial Corporation (CVFC) are pleased to report another year of efficient and strong financial performance for the corporation and its subsidiary, First State Bank, for the year ended December 31, 2024. Consolidated Corporation net income is \$11,100,996 for the year ended December 31, 2024, compared to prior year net income of \$10,141,182, an increase of 9.5%. Earnings per share for the year are \$8.59 compared to \$7.57 in the prior year, an increase of 13.5%.

Our management team has proactively managed funding costs during 2024, taking advantage of opportunities as the market provides them. This, along with disciplined loan pricing, remains critical as we build and maintain a competitive interest rate margin. Even with a strengthening margin, First State Bank managed to grow deposits by more than 3% and our loan portfolio by 5%.

Looking ahead, we expect some turbulence in the financial sector as our economy adjusts to policy changes. First State Bank plans for modest, but steady growth in 2025. We continue to closely monitor credit quality factors and are pleased to report that these measures remain steady as we begin a new year.

The Board of Directors has approved a first quarter cash dividend of \$0.47 per share for shareholders with a record date of February 6, 2025, and a payable date of February 20, 2025. This represents an increase of 9.3% compared to the dividend paid in the first quarter of 2024.

First State Bank liquidated the final real estate asset of First State Insurance during the quarter. That entity has been dissolved. This gain was offset by the December devaluation of our mortgage servicing rights due to a stagnant consumer fixed rate mortgage market.

Construction of our administrative office building near downtown Middlebury is continuing. We will relocate more than 20 B First Bankers to that space this Spring. We are reevaluating our space needs in the main office and annex to allow for future growth.

Upward & Onward,



D. Joe Caffee, President & CEO


**Statement of Condition**


**December 31, 2024**

**CRYSTAL VALLEY FINANCIAL CORPORATION**

and its Principal Subsidiary

**FIRST STATE BANK**

**Statement of Condition**  
December 31, 2024 and 2023  
Unaudited

	<b>2024</b>	<b>2023</b>
<b>Asset</b>		
Cash and Due from Banks	\$10,730,918	\$9,441,085
Interest Bearing Balance with Banks	853,140	830,697
Investment Securities	130,620,361	153,974,799
Federal Home Loan Bank Stock	3,530,500	3,530,500
Loans Gross	612,587,902	585,694,488
Less: Allowance for Loan Losses	-7,600,295	-7,539,332
Deferred Loan Fees	-35,301	-44,688
Net Loans	<u>604,952,306</u>	<u>578,110,468</u>
Premises and Equipment	5,113,985	5,378,468
Accrued Interest Receivable	3,027,352	3,013,638
CSV - Life Insurance	14,094,212	12,473,245
Other Assets	13,551,329	11,453,835
Total Assets	<u><u>\$786,474,103</u></u>	<u><u>\$778,206,735</u></u>
<b>Liabilities and Shareholders Equity</b>		
<b>Liabilities</b>		
Non-Interest Bearing Demand	\$131,047,307	\$134,471,489
Interest Bearing Demand	236,839,453	219,387,582
Savings	117,296,548	129,372,681
Time Under \$100,000	36,106,604	33,590,787
Time \$100,000 and over	100,709,724	85,306,610
Total Deposits	<u>621,999,636</u>	<u>602,129,149</u>
Loans Payable	62,016,481	78,564,354
Repurchase Agreements	4,300,115	4,150,032
Federal Funds Purchased	8,477,000	9,888,000
Allowance for Credit Losses on	154,028	146,709
Off-Balance Sheet Credit Exposures	702,210	725,724
Accrued Interest Payable		
Other Liabilities	8,047,689	8,164,300
Total Liabilities	<u>\$705,697,159</u>	<u>\$703,768,268</u>
<b>Shareholders Equity</b>		
Common Stock	\$2,048,000	\$2,048,000
Surplus	2,179,382	2,179,382
Retained Earnings	122,028,080	113,214,035
Treasury Stock	-24,529,958	-22,785,544
Net Unrealized Gain (Loss) on Securities	-20,948,560	-20,217,406
Total Shareholder Equity	<u>\$80,776,944</u>	<u>\$74,438,467</u>
Total Liabilities and Shareholder Equity	<u><u>\$786,474,103</u></u>	<u><u>\$778,206,735</u></u>
<b>Book Value Per Share</b>	\$63.14*	\$56.93**

\* 2024 - Based on 1,279,328 shares outstanding  
\*\* 2023 - Based on 1,307,651 shares outstanding

**Statement of Income**  
Year Ended December 31, 2024 and 2023  
Unaudited

	<b>2024</b>	<b>2023</b>
<b>Interest Income</b>		
Interest and Fees on Loans	\$38,721,233	\$32,936,601
Interest on B.A.'s & Deposits with Banks	158,169	161,106
Interest on Investment Securities	3,664,137	3,739,569
Other Interest & Dividend Income	333,109	219,921
Total Interest Income	<u>\$42,876,648</u>	<u>\$37,057,197</u>
<b>Interest Expense</b>		
Interest on Deposits	\$10,312,760	\$6,187,810
Interest on FF Purchased/Repos	262,951	371,776
Interest on Other Borrowed Funds	3,641,416	2,751,021
Total Interest Expense	<u>\$14,217,127</u>	<u>\$9,310,607</u>
<b>Net Interest Income</b>	\$28,659,521	\$27,746,590
Provision for Loan Losses	-33,031	665,812
Net Interest Income After Provision for Loan Losses	<u>\$28,692,552</u>	<u>\$27,080,778</u>
<b>Other Income</b>		
Service Charges on Deposit Accounts	\$525,538	\$486,435
Other Service Charges, Commissions, Fees	1,618,684	1,724,235
Trust Income	1,274,050	1,160,411
Gain (Loss) on Sales of Securities	-2,446,416	32,015
Gain (Loss) on Sales of Loans	172,978	-70,576
Gain (Loss) on Other Real Estate	0	41
Other Income	3,159,327	431,019
Total Other Income	<u>\$4,304,161</u>	<u>\$3,763,580</u>
<b>Other Expenses</b>		
Salaries and Employee Benefits	\$11,018,008	\$10,211,696
Occupancy Expense	1,239,568	1,148,531
Equipment and Processing	2,675,558	2,632,394
Postage & Supplies	289,859	310,087
Legal & Accounting	342,239	313,356
Advertising & Public Relations	926,633	842,911
FDIC Assessment	358,006	318,938
Other Expenses	2,957,040	2,918,780
Total Other Expenses	<u>\$19,806,911</u>	<u>\$18,696,693</u>
<b>Income Before Taxes</b>	\$13,189,802	\$12,147,665
Provision for Income Taxes	2,088,806	2,006,483
Net Income	<u>\$11,100,996</u>	<u>\$10,141,182</u>
<b>Earnings Per Common Share</b>	\$8.59*	\$7.57**

\* 2024 - Based on 1,291,983 average shares outstanding  
\*\* 2023 - Based on 1,340,238 average shares outstanding