



# ANNUAL REPORT

# 2024



**First Bancorp**  
OF INDIANA, INC

[WWW.FIRSTFEDSAVINGS.BANK](http://WWW.FIRSTFEDSAVINGS.BANK)





## PRESIDENT'S MESSAGE

Fellow Stockholders:

Fiscal Year 2024 was a challenging year. The Federal Reserve's interest rate policy of "higher for longer" has taken a toll on southwestern Indiana and Henderson, Kentucky's economic good fortune. We have witnessed small businesses closing and individuals spending through their accumulated savings and increasing their credit card debt.

We are experiencing one of the largest mortgage home loan delinquency periods in my 44 years at First Federal Savings Bank. In addition, commercial business customers are seeing slowdowns in their accounts receivable and extending their payables.

The higher interest rate environment, and the pace at which interest rates increased, together with the growth that the Bank has experienced over the last several years, led to a significant increase in our funding costs. In the face of a challenging economic environment, these factors contributed to the need to suspend the payment of quarterly dividends on shares of our common stock and focus on a strategy of better positioning the Bank to enhance capital levels, liquidity and earnings, and to reduce the Bank's reliance on higher funding costs.

With two retirements on the horizon, the Bank and Company also acted to further strengthen the Boards of Directors by adding two new members:

- Philip E. Rawley, CEO Tri-State Orthopaedics, Evansville, IN, joined the First Bancorp and First Federal Savings Bank board of directors on April 23, 2024. We welcome Philip with his many years of local business experience in the Evansville market.
- Gina Hermann, Director of Human Resources, Southern Star Central Gas Pipeline Company in Owensboro, KY, joined the First Bancorp and First Federal Savings Bank board of directors on May 28, 2024. We welcome Gina with her many years of experience in Human Resources.

The addition of these two new Board members precedes the anticipated departures of Mr. E. Harvey "Skip" Seaman, III and Ms. Carolyn McClintock, who, after long and distinguished careers of service, elected not to be renominated for election following the conclusion of their Board terms at the 2024 Annual Meeting.

- Mr. Seaman has been a Board member of First Federal since 2001 and has served as Chairman of the Board of both the Bank and Company for many years.
- Ms. McClintock has been a Board member since 2021.

The Officers and Employees of the Bank express their sincere thanks to Skip and Carol for their many years of service.

On a different note, we want to thank our many customers and shareholders as we celebrate our 120th birthday on October 20, 2024. We extend our heartfelt gratitude to you for being an essential part of our journey. For over a century, we've had the privilege of serving this community, and we recognize that our success is due in no small part to the trust, loyalty, and continued support of our customers and shareholders.

What began as a small, local bank in 1904, has grown and evolved over the decades, but our commitment to providing personalized services and fostering strong relationships has remained steadfast. Our core values of integrity, community focus, and financial responsibility have guided us through the ups and downs of changing times, ensuring we stay rooted in what matters most - our shareholders and customers.

We're proud to be part of this community, and we look forward to continuing our partnership with each of you for many more years to come. Whether it's supporting your financial goals, offering innovative banking solutions, or helping local businesses thrive, we remain dedicated to your success and to the well-being of our community.

To celebrate this special occasion, we hope you will take a moment to read about our history on our website. It's a journey through the milestones, challenges, and triumphs that have shaped our institution throughout the last 120 years.

As always, I thank you for your investment in First Bancorp of Indiana, Inc.

A handwritten signature in black ink that reads "Mike".

Michael H. Head  
President and CEO  
First Bancorp of Indiana, Inc.



## 2024 FINANCIAL HIGHLIGHTS

### SELECTED FINANCIAL DATA

| AT OR FOR THE YEAR ENDED  | June 30, 2024 | June 30, 2023 | June 30, 2022 |
|---|---------------|---------------|---------------|
| <b>SELECTED BALANCE SHEET DATA</b>                                      |               |               |               |
| <i>( \$ Thousands )</i>   |               |               |               |
| Total Assets  | \$635,318     | \$631,341     | \$518,480     |
| Investment securities   | 95,221        | 111,596       | 112,054       |
| Loans receivable, net   | 475,323       | 453,402       | 347,389       |
| Deposits  | 465,606       | 462,203       | 389,675       |
| Borrowings  | 129,894       | 129,832       | 90,769        |
| Stockholders' Equity  | 31,537        | 32,012        | 32,588        |
| <b>SELECTED INCOME STATEMENT DATA</b>                                   |               |               |               |
| <i>( \$ Thousands )</i>   |               |               |               |
| Interest income   | \$31,227      | \$24,184      | \$16,224      |
| Interest expense  | 16,196        | 7,720         | 2,533         |
| Net interest income   | 15,031        | 16,464        | 13,691        |
| Provision for loan losses   | (236)         | 195           | 50            |
| Noninterest income  | 3,445         | 3,269         | 3,954         |
| Noninterest expense   | 17,609        | 16,625        | 14,799        |
| Income before income taxes  | 1,103         | 2,913         | 2,796         |
| Provision for income taxes  | (432)         | 62            | 360           |
| Net Income  | \$1,535       | \$2,851       | \$2,436       |
| <b>PERFORMANCE RATIOS</b>   |               |               |               |
| Return on average assets  | 0.24 %        | 0.50 %        | 0.51 %        |
| Return on average equity  | 5.06          | 9.07          | 6.35          |
| Net interest margin   | 2.56          | 3.13          | 3.09          |
| Average interest-earning assets to average interest-bearing liabilities | 106.83        | 110.59        | 116.07        |
| Earnings per share, fully-diluted                                       | \$0.91        | \$1.70        | \$1.40        |
| <b>ASSET QUALITY RATIOS</b>   |               |               |               |
| Nonperforming loans to total loans                                      | 0.38 %        | 0.53 %        | 0.13 %        |
| Nonperforming assets to total assets                                    | 0.29          | 0.39          | 0.10          |
| Allowance for credit losses on loans to total loans                     | 1.08          | 0.81          | 0.99          |
| Allowance for credit losses on loans to nonperforming loans             | 284.44        | 151.40        | 755.90        |
| <b>CAPITAL RATIOS</b>   |               |               |               |
| Average equity to average assets  | 4.82 %        | 5.52 %        | 8.03 %        |
| Equity to total assets  | 4.96          | 5.07          | 6.29          |
| Tier 1 Capital / Community Bank Leverage Ratio (bank only)              | 8.22          | 8.72          | 9.91          |
| <b>SHAREHOLDER DATA</b>   |               |               |               |
| Weighted average shares outstanding: (for the year ended)               |               |               |               |
| Basic   | 1,677,689     | 1,677,959     | 1,734,482     |
| Diluted   | 1,677,689     | 1,677,959     | 1,734,482     |
| Outstanding shares (issued less treasury shares) at June 30             | 1,680,624     | 1,672,429     | 1,694,362     |



## BOARD OF DIRECTORS

|                             |  |
|-----------------------------|--|
| E. Harvey "Skip" Seaman III | Chairman of the Board  |
| Gregory L. Haag             | Former President, Haag Heating & Air Conditioning            |
| Michael H. Head             | President and CEO, First Federal Savings Bank                |
| Carolyn S. McClintock       | CEO, Team McClintock, an F.C. Tucker Emge Realtors affiliate |
| Dharmesh M. Patel, M.D.     | Surgeon, Evansville Surgical Associates                      |
| Kenan L. Schultheis         | Vice President, Schultheis Insurance                         |
| Randall M. Schulz, CPA      | Retired Vice President, Harding, Shymanski & Company         |
| Brian L. Taylor             | President, PAR IT Consulting                                 |
| Sharon R. Walker            | President, The Long View Group LLC                           |
| Daniel J. Ziemer            | President, Ziemer Funeral Homes, Inc.                        |
| Gina Hermann                | HR Director, Southern Star Central Gas Pipeline              |
| Philip E. Rawley            | CEO, Tri-State Orthopaedics                                  |

### Corporate Headquarters

5001 Davis Lant Drive  
(812) 492-8104

### Franklin Street Office

2200 W Franklin St  
(812) 492-8102

### North Park Office

4451 N First Ave  
(812) 492-8105

## EXECUTIVE MANAGEMENT

### OFFICERS OF FIRST BANCORP OF INDIANA, INC.

|                 |                |
|-----------------|----------------|
| Michael H. Head | President      |
| Christy McBride | Vice President |
| Rick Heldt      | Vice President |

### OFFICERS OF FIRST FEDERAL SAVINGS BANK

|                    |                          |
|--------------------|--------------------------|
| Michael H. Head    | President and CEO        |
| Christy McBride    | Executive Vice President |
| Sarah Cox          | Executive Vice President |
| Christopher Head   | Executive Vice President |
| Jennifer Singleton | Senior Vice President    |
| Jeff D. Kniese     | Senior Vice President    |
| Rick Heldt         | Senior Vice President    |

### GENERAL COUNSEL

Kahn Dees Donovan & Kahn LLP  
501 Main St  
Suite 305  
Evansville, Indiana 47708

### SECURITIES COUNSEL

Kilpatrick Townsend & Stockton LLP  
701 Pennsylvania Ave, NW  
Suite 200  
Washington, DC 20004

### INDEPENDENT AUDITORS

Plante Moran  
634 Front Ave NW, Suite 300  
Grand Rapids, MI 49504

### TRANSFER AGENT

Computershare Trust Company, N.A.  
150 Royall St, Suite 101  
Canton, MA 02021

### Newburgh Office

8388 Bell Oaks Dr  
(812) 492-8106

### Bellemeade Office

4601 Bellemeade Ave  
(812) 492-8107

### University West Office

4615 University Dr  
(812) 492-8108

### St Philip Office

11201 Upper Mt Vernon Rd  
(812) 492-8109

### Henderson Office

2555 Highway 41  
(270) 495-3385



### Washington Office

200 E VanTrees Street  
(812) 254-2641

### Petersburg Office

501 Main Street  
(812) 354-8713

### AUDITED FINANCIAL INFORMATION

The audited financial statements will be available for viewing or printing at:

[www.firstfedsavings.bank](http://www.firstfedsavings.bank)

A copy may also be requested by writing to:

Rick Heldt, Treasurer

First Bancorp of Indiana, Inc., P.O. Box 1111, Evansville, IN 47706-1111