

## The Valley's Home-Owned Bank

- \* with high quality service and competitive pricing for our customers,
- \* fairly treat and provide a good quality of life for our employees,
- \* and to continue with a consistent level of profitability for our stockholders.

Dear Stockholders:

Another year in the books and it was a challenging and busy one!

We continue to focus on the health of the Lewis Clark Valley as the only bank headquartered here.

In 2020, Loan growth was \$8.4 million (13.61%), Assets growth was \$13.4 million (12.63%) and Deposit growth was \$12.1 million (12.53%). Our loan growth stems mainly from our closely working with local businesses, builders and home owners where we live.

Our profits increased over last year by \$288,000 (14.51%) which was steady; PPP business loan fees and the home loans were our primary income source. We had higher loan totals, however with the interest rate decline our monthly interest margin dropped.

Your stockholder Return on Average Equity was 22.79% and the board has declared another cash distribution for your investment. In 2020, we paid down the balance on our Trust Preferred Securities in addition to the quarterly stockholder tax distributions and the annual profit distribution.

Thank you for your support and your banking business. Feel free to stop by. We welcome any suggestions you may have regarding the bank.

*Jody Servatius*  
President / CEO

## MANAGEMENT

Jody Servatius  
President / CEO

Marni Bann  
EVP / Corp. Secretary / Cashier  
Chief Financial Officer

Willie Deibel  
EVP/ Senior Lender

Pursuant to the FDIC Regulation Part 350, our Annual Financial Disclosure Statements for 2019 and 2020 may be obtained at your request in person, by calling 208-746-4848, going to our website [www.twinriver.bank](http://www.twinriver.bank) or writing: Twin River Bank, Attn: Marni Bann, 1507 G Street, Lewiston, ID 83501

### Financial Statement Disclaimer:

This statement has not been reviewed, or confirmed for accuracy or relevance, by the FDIC or State of Idaho Finance Department. We, the undersigned officers of Twin River Bank attest to the correctness of this statement and declare that to the best of our knowledge and belief it has been presented in conformance with the disclosure requirement as set forth by the regulators.

Jody Servatius  
President / CEO

Marni Bann  
EVP / Cashier / CFO

## BOARD



John D. Vassar, Chairman  
Retired, Vassar-Rawls Funeral Home

Rick Wasem, Vice Chairman  
Confluence Cellars LLC

Jody Servatius, President / CEO  
Twin River Bank &  
Twin River Financial Corp.

Marni Bann, EVP / CFO  
Twin River Bank &  
Twin River Financial Corp.

Bryan Bentz  
Manager, Bentz Boats, LLC

Brad Cannon  
Retired, Cannon's Building Material Center, Inc.

Willie Deibel, EVP / Senior Lender  
Twin River Bank &  
Twin River Financial Corp.

James C. Luper  
President, Luper Automotive, Inc

Michael T. Rooney, MD  
St Joseph Regional Medical Center

David C. Stegner  
Retired, Stegner Grain & Seed Company

Tom F. Turnbow  
President, Printcraft Printing, Inc.

2020 ANNUAL REPORT



TWIN RIVER BANK

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

Equal Housing Lender Member FDIC



### BALANCE SHEET

	December	
	2020	2019
<b>ASSETS:</b>	<b>(Amounts in Thousands)</b>	
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin...	\$1,890	\$1,283
Interest-bearing balances.....	\$40,787	\$36,843
Securities:		
Held-to-maturity securities.....	\$122	\$2,102
Available-for-sale securities.....	\$3,001	\$1,402
Federal funds sold .....	\$328	\$477
Securities purchased under agreements to resell...	\$0	\$0
Loans		
Loans held for sale.....	\$1,220	\$309
Loans held for investment.....	\$70,822	\$62,415
LESS: Allowance for loan losses.....	\$584	\$624
Loans, net of unearned income & allowance.....	\$70,238	\$61,791
Premises, fixed assets	\$1,232	\$1,257
Other real estate owned.....	\$0	\$0
Other assets.....	\$387	\$373
<b>Total assets.....</b>	<b>\$119,205</b>	<b>\$105,837</b>
<b>LIABILITIES</b>		
Deposits		
Noninterest-bearing.....	\$28,649	\$23,974
Interest-bearing.....	\$79,754	\$72,358
	\$108,403	\$96,332
Federal funds purchased.....	\$0	\$0
Securities sold under agreements to repurchase.....	\$0	\$0
Other liabilities.....	\$105	\$120
<b>Total liabilities.....</b>	<b>\$108,508</b>	<b>\$96,452</b>
<b>EQUITY CAPITAL</b>		
Common stock, \$5 par value;		
170,000 shares issued.....	\$850	\$850
Surplus.....	\$927	\$927
Retained earnings.....	\$8,919	\$7,606
Accumulated other comprehensive income.....	\$1	\$2
<b>Total equity capital.....</b>	<b>\$10,697</b>	<b>\$9,385</b>
<b>Total liabilities and equity capital.....</b>	<b>\$119,205</b>	<b>\$105,837</b>

### INCOME STATEMENT

	Twelve Months Ended December 31	
	2020	2019
<b>INTEREST INCOME:</b>	<b>(Amounts in Thousands)</b>	
Loans secured by real estate.....		
Loans secured by 1-4 family residential.....	\$2,340	\$2,207
All other loans secured by real estate.....	\$815	\$898
Commerical and industrial loans.....	\$1,331	\$770
Loans to individuals.....	\$175	\$169
All other loans.....	\$45	\$54
<b>Total interest and fee income on loans.....</b>	<b>\$4,706</b>	<b>\$4,098</b>
Balances due from depository institutions.....	\$571	\$833
Interest and dividend income on securities		
U.S. Treasury & Government securities.....	\$39	\$70
All other securities.....	\$2	\$3
Fed funds sold and sec purchased to resell...	\$2	\$10
Other interest income.....	\$0	\$0
<b>Total interest income.....</b>	<b>\$5,320</b>	<b>\$5,014</b>
<b>INTEREST EXPENSE:</b>		
Interest on deposits:		
Transaction accounts.....	\$16	\$25
Nontransaction accounts:		
Savings deposits (includes MMDA).....	\$71	\$191
Time deposits of \$250,000 or more.....	\$176	\$29
Time deposits of less than \$250,000.....	\$23	\$191
Fed funds purchased & sec sold under repurch.	\$0	\$0
<b>Total interest expense.....</b>	<b>\$286</b>	<b>\$436</b>
Net interest income.....	\$5,034	\$4,578
Provision for loan and lease losses.....	(\$40)	\$76
<b>Net interest income after provision.....</b>	<b>\$5,074</b>	<b>\$4,502</b>
<b>NONINTEREST INCOME:</b>		
Service charges on deposit accounts.....	\$69	\$79
Net gains (losses) of OREO sales.....	\$0	(\$10)
Net gains (losses) of Other Asset sales.....	\$0	\$0
Other noninterest income.....	\$124	\$110
<b>Total noninterest income.....</b>	<b>\$193</b>	<b>\$179</b>
Realized gains (losses) on AFS securities.....	\$0	\$0
<b>NONINTEREST EXPENSE:</b>		
Salaries and employee benefits.....	\$2,171	\$1,937
Premises and fixed assets.....	\$281	\$221
Other noninterest expense.....	\$542	\$538
<b>Total noninterest expense.....</b>	<b>\$2,994</b>	<b>\$2,696</b>
Income (loss) before income taxes.....	\$2,273	\$1,985
Applicable income taxes.....	\$0	\$0
<b>Net income (loss).....</b>	<b>\$2,273</b>	<b>\$1,985</b>

### CHANGES IN EQUITY CAPITAL

	12/31/2020	12/31/2019
Total equity capital most recently reported at the end of the prior year.....	\$9,385	\$8,326
Net income (loss).....	\$2,273	\$1,985
Retirement of capital stock .....	\$0	\$0
LESS: Cash dividends declared on		
common stock.....	\$959	\$941
Other comprehensive income.....	(\$2)	\$15
Transactions with holding company.....	\$0	\$0
<b>Total equity capital at the end of the current period.....</b>	<b>\$10,697</b>	<b>\$9,385</b>

### CHANGES IN ALLOWANCE FOR LOAN LOSS

	12/31/2020	12/31/2019
Balance most recently reported at the end of previous year Report of Condition.....	\$624	\$548
Recoveries.....	\$0	\$0
LESS: Charge-offs.....	\$0	\$0
Provision for loan losses.....	(\$40)	\$76
Adjustments.....	\$0	\$0
<b>Balance end of current period.....</b>	<b>\$584</b>	<b>\$624</b>

### PAST DUE AND NONACCRUAL LOANS

	12/31/2020	12/31/2019
<b>Past due 90 days or more and still accruing:</b>		
Real estate secured by 1-4 fam residential....	\$0	\$122
Commerical and industrial loans.....	\$0	\$0
Other loans to individuals .....	\$0	\$0
<b>Nonaccrual</b>		
Secured by Real Estate 1-4 fam residential....	\$0	\$0
Secured by Junior Liens	\$0	\$0
Secured by owner occupied nonfarm nonresidential properties.....	\$0	\$0
Commercial and industrial loans.....	\$0	\$0
Other (includes installment loans) .....	\$0	\$0
<b>Total.....</b>	<b>\$0</b>	<b>\$122</b>
Loans guaranteed by SBA	\$0	\$0
SBA guaranteed portion	\$0	\$0
Loans restructured in troubled debt		
Secured by Real Estate 1-4 fam residential....	\$0	\$0
Secured by owner occupied nonfarm nonresidential	\$0	\$0

### RATIOS

Return on Average Assets.....	1.27%	1.50%
TRB Return on Average Equity.....	14.18%	16.92%
Bank Book Value per Share.....	\$66.41	\$58.26
<b>Holding Company Book Value per Share.....</b>	<b>\$82.71</b>	<b>\$69.58</b>
<b>TRFC Return on Average Equity.....</b>	<b>22.79%</b>	<b>23.27%</b>



### BALANCE SHEET

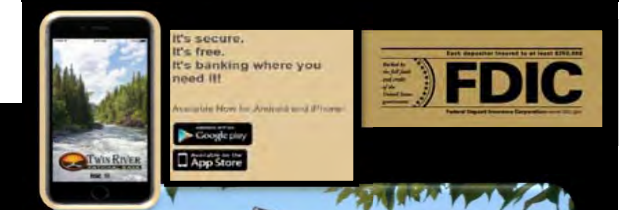
	12/31/2020		12/31/2019	
	<b>(Dollars in Thousands)</b>			
<b>Assets</b>				
Balances with bank subsidiary.....	\$64		\$66	
Investment in nonbank subsidiary.....	\$43		\$43	
Investment in bank subsidiary.....	\$10,697		\$9,385	
Total assets.....	<b>\$10,804</b>		<b>\$9,494</b>	
<b>Liabilities and Equity Capital</b>				
Notes payable.....	\$60		\$58	
Accrued interest payable.....	\$0		\$2	
* Balance due to nonbank subsidiaries.....	\$912		\$1,162	
Dividend payable.....	\$0		\$0	
Other liabilities.....	\$0		\$2	
Total liabilities.....	\$972		\$1,224	
Stockholders' equity				
Common stock, including related surplus.....	\$1,497		\$1,497	
Other equity capital components.....	(\$1,424)		(\$1,424)	
Retained earnings.....	\$9,758		\$8,195	
Accumulated other comprehensive income.....	\$1		\$2	
<b>Total equity capital.....</b>	<b>\$9,832</b>		<b>\$8,270</b>	
<b>Total liabilities &amp; equity capital.....</b>	<b>\$10,804</b>		<b>\$9,494</b>	

### STATEMENTS OF INCOME

	Twelve Months Ended December 31	
	2020	2019
Operating Income		
Dividends & Other income.....	\$960	\$943
<b>Total operating income .....</b>	<b>\$960</b>	<b>\$943</b>
Other expense.....	\$33	\$63
Equity in undistributed income (loss) bank sub		
Nonbank subsidiary .....	\$0	\$0
<b>Net income (loss) .....</b>	<b>\$2,241</b>	<b>\$1,924</b>
* Less YTD Cash Distributions.....	\$679	\$641
<b>Retained earnings YTD.....</b>	<b>\$1,562</b>	<b>\$1,283</b>

### Additional Information

* Trust Preferred Securities Payment	\$250	\$250
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1507 G St, Lewiston, ID 83501



900 5th St, Clarkston, WA 99403



201 2nd St, Asotin, WA 99402



3330 10th St, Lewiston, ID 83501