



Employees deliver creative, effective solutions to challenges presented by COVID-19

By Kevin Halterman, Peoples Bank President and CEO

This is shaping up to be a year like no other in history. It's tested our business acumen and personal resolve.

Our employees stepped up and responded to the challenges presented. They worked on a rotating schedule from March to July: One week in the office; one week at home. Our IT team worked quickly to deploy laptops and security systems to move our entire workforce home.

This change allowed us to insure the safety of our team; keep the drive-up's open for customers; and continue our daily work behind the scenes. To reopen, we've installed plastic dividers at our teller stations; temporarily reduced hours; asked employees to wear masks when in proximity; and implemented social distancing practices in our shared spaces.

Financially, we continue to trend ahead of our current budget. I remain optimistic that we will finish the year strong. However, everyone is aware the economy is, and will remain, fragile until the pandemic passes and unemployment declines. We have not experienced any abnormal pressure within our loan portfolio. To date, delinquencies remain normal-to-trending slightly less than one year ago.

Peoples Bank immersed itself in the Paycheck Protection Program (PPP). As with any government support there were flaws. However the program was a true blessing and lifeline for our small businesses and communities. To date, we processed 156 PPP loans totaling \$19.8 million. The average loan size was \$127,182.

We remain committed to our communities and feel optimistic about the remainder of 2020. There continues to be those lagging questions. Will there be a second wave of the pandemic? How long will the Federal Reserve keep rates at historic low levels? Both are great questions and there is no answer for either.

As a bank we don't assume, we only follow our plan. Our plan is working. Total assets are up 6.5% over budget. Our brand continues to build strength within the communities we serve and it shows through our performance.

As always, we appreciate the support from our shareholders. Your support contributes to the growth and stability of our communities.



Peoples Bank to open Operations facility

Spurred by consistent growth and community support, Peoples Bank will open a new 5,000 square-foot facility in December 2020 to house its Operations and Finance departments. Construction began in May on a \$1 million facility located just east of the existing Indianola branch at 400 E. Iowa Ave.

In total, 70 percent of the work will be completed by local contractors, which is something President Kevin Halterman said is a point of pride.

"This truly is a community project," he said. "Now, more than ever, we need to support our local contractors, and keep as much of the work locally as possible."

The current branch opened in 2004 and houses 35 employees.

"There was a time when I couldn't imagine that we'd grow enough to move out of the square downtown," Halterman said. "Now we have six branches, and are opening another building. It's a testament to our customers and communities who have trusted us with their finances since we opened in 1998."

The new facility will have office space, a training area, meeting rooms, and room for a future call center. A small group of employees will move from the existing branch to the Operations center. The building is designed for growth, Halterman said.



Community is at the heart of what we do at Peoples Bank. Our bank's success is a direct result of the strength and health of our communities. So, when our community needs help; we step up. Since March, we have funded a number of community initiatives. Here are a few highlights:

Cookies for Careworkers

When COVID-19 kept local Girl Scout troops from selling their cookies, they were left with inventory. Peoples Bank purchased cookies from two local troops and donated them to employees of nursing homes in Carlisle and Pleasantville, plus a few postal workers. Needless to say, the treats were well received!

Grant Money to Local Businesses

Peoples Bank was one of only two local banks to help fund a small business grant program for Warren County businesses experiencing financial hardships as a result of the coronavirus. A total of \$66,000 in grants (ranging from \$1,750 to \$5,000) were made to 16 local businesses.

Fresh Meat for Food Pantries

Peoples Bank President Kevin Halterman worked with three area families to donate more than 750 pounds of fresh pork to Warren County food pantries. They purchased the hogs from Indianola's Keith Henry Family Berkshire Hogs. At the time, hog farmers were stuck without a place to send their hogs, as production facilities closed due to COVID-19 exposures among workers.

Bags for Meals

The Southeast Warren School District needed some help in packaging the to-go meals they prepared for students after classes ended abruptly in March. Peoples Bank was able to provide them with bags to pack lunches for the district families.

Flowers for Earth Day

Our Seymour branch employees sent their kids around to nursing homes to deliver carnations to nursing homes in Centerville and Corydon. Not only did we brighten up the day for a number of deserving people, we supported local businesses at the same time.



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