



CONNECTING WITH  
OUR  
COMMUNITIES.



2019  
THIRD QUARTER  
REPORT



Central Bank & Trust Co.  
Central Insurance Services  
Central Investment Center, Inc.

# HELPING TO KEEP OUR COMMUNITIES STRONG.

## THE NEST



The Nest – Center for Women, Children, and Families, provides high quality, comprehensive services to women, children and families in crisis, while working to prevent child abuse and neglect. Central Bank is proud to share in their mission to provide a safe place for education, counseling, and support to children and families in crisis.

## MISSION STATEMENT

The mission of Central Bancshares is to become Kentucky's leading, high-performing, community banking company by empowering our staff to deliver consistently superior service and value to our customers, shareholders and communities. We will be successful because Central Bankers are our greatest resource and our most sustainable advantage.

## CONTENTS

Financial Highlights	1
Consolidated Balance Sheets	2
Consolidated Statements of Income	3
Boards of Directors	4
Officers	6

For additional copies or  
INFORMATION

MARKETING  
CENTRAL BANK  
300 West Vine Street  
Lexington, KY 40507

# FINANCIAL HIGHLIGHTS

For nine months ended September 30  
(dollars in thousands, except share data)

	2019	2018	2017	2016	2015
<b>RESULTS OF OPERATIONS:</b>					
Net income	\$ 24,417	\$ 20,895	\$ 14,707	\$ 13,976	\$ 13,564
Net income per share	0.70	0.60	0.42	0.40	0.39
Cash dividends per share	0.00	0.00	0.00	0.00	0.00
Book value per share at quarter end	8.77	7.92	7.26	6.78	6.30
<b>AT SEPTEMBER 30:</b>					
Assets	\$ 2,702,142	\$ 2,543,960	\$ 2,350,422	\$ 2,260,969	\$ 2,140,724
Earning assets	2,590,070	2,447,282	2,248,303	2,154,988	2,028,029
Net loans	2,063,825	2,013,297	1,921,904	1,717,555	1,622,354
Deposits	2,153,725	2,068,166	1,928,626	1,877,084	1,784,484
Shareholders' equity	305,216	275,556	252,681	235,795	219,116
<b>PERFORMANCE RATIOS:</b>					
Return on average assets	1.25%	1.12%	0.85%	0.84%	0.85%
Return on average shareholders' equity	11.19%	10.52%	8.01%	8.14%	8.55%
Average tangible equity to average tangible assets	10.74%	10.17%	10.06%	9.71%	9.30%
Net charge-offs to average loans	0.16%	0.08%	0.06%	0.10%	0.08%
Allowance for loan losses as a percentage of quarter end loans	0.94%	1.02%	1.12%	1.23%	1.32%
Net interest margin (tax equivalent)	4.05%	3.99%	3.95%	3.73%	3.66%

## CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	September 30 2019	September 30 2018
<b>ASSETS</b>		
Cash and due from financial institutions	\$ 60,081	\$ 49,230
Interest bearing deposits with other financial institutions	239,700	182,900
Total cash and cash equivalents	<u>299,781</u>	<u>232,130</u>
Debt securities	260,202	223,634
Loans, net of unearned income	2,083,417	2,033,997
Allowance for loan losses	(19,592)	(20,700)
Loans, net	<u>2,063,825</u>	<u>2,013,297</u>
Premises and equipment, net	29,115	31,006
Federal Home Loan Bank stock	6,751	6,751
Intangible assets	14,313	14,313
Prepaid expenses and other assets	28,155	22,829
<b>Total assets</b>	<u>\$ 2,702,142</u>	<u>\$ 2,543,960</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits:		
Non-interest bearing	\$ 708,284	\$ 696,997
Interest bearing	1,445,441	1,371,169
Total deposits	<u>2,153,725</u>	<u>2,068,166</u>
Repurchase agreements	144,757	132,797
Federal funds purchased	500	500
Federal Home Loan Bank advances	50,408	25,426
Subordinated debentures	15,000	15,000
Other liabilities	32,536	26,515
Total liabilities	<u>2,396,926</u>	<u>2,268,404</u>
<b>SHAREHOLDERS' EQUITY</b>		
Common stock (voting), \$10 par value; 350,000 shares authorized; 347,922 shares issued and outstanding	3,479	3,479
Common stock (non-voting), no par value; 34,650,000 shares authorized; 34,444,278 and zero shares issued and outstanding at September 30, 2019 and 2018, respectively	-	-
Additional paid-in capital	6,890	6,890
Retained earnings	301,391	271,479
Accumulated other comprehensive income (loss)	(6,544)	(6,292)
Total shareholders' equity	<u>305,216</u>	<u>275,556</u>
<b>Total liabilities and shareholders' equity</b>	<u>\$ 2,702,142</u>	<u>\$ 2,543,960</u>

## CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except share data)

For nine months ended  
September 30  
2019

September 30  
2018

### INTEREST INCOME

Interest and fees on loans	\$ 80,162	\$ 71,985
Interest on debt securities	5,121	3,837
Interest on deposits with other financial institutions	2,954	1,970
	<u>88,237</u>	<u>77,792</u>

### INTEREST EXPENSE

Interest on deposits	10,696	6,643
Interest on borrowed funds	1,752	1,199
	<u>12,448</u>	<u>7,842</u>

Net interest income	75,789	69,950
Provision for loan losses	2,672	1,752
Net interest income after provision for loan losses	<u>73,117</u>	<u>68,198</u>

### OTHER INCOME

Service charges on deposit accounts	5,442	5,434
Service charges on loans	7,893	7,607
Wealth management income	10,984	10,981
Other income	5,552	4,180
	<u>29,871</u>	<u>28,202</u>

### OTHER EXPENSES

Salaries	31,111	29,908
Benefits	8,816	7,174
Occupancy	15,040	14,293
Other non-interest expenses	20,978	20,673
	<u>75,945</u>	<u>72,048</u>

Income before provision for income taxes	27,043	24,352
Provision for income taxes	2,626	3,457
<b>Net income</b>	<u>\$ 24,417</u>	<u>\$ 20,895</u>

<b>Basic earnings per share</b>	\$ 0.70	\$ 0.60
---------------------------------	---------	---------

# BOARDS OF DIRECTORS

## Central Bancshares, Inc. and Central Bank & Trust Co. Board of Directors



**Luther Deaton, Jr.**  
Chairman, President & CEO, Central Bancshares, Inc. and Central Bank & Trust Co.

**Joan D. Kincaid**  
Vice Chairman of the Board, Central Bancshares, Inc. and Central Bank & Trust Co.

**Michael D. Foley**  
Retired Partner  
RFH, PLLC Certified Public Accountants

**Wayne M. Martin**  
VP of Development,  
Retail Division,  
Booth Energy

**Nick Nicholson**  
Retired, Keeneland  
Association, Inc.

**G. Michael Ritchie**  
Executive Vice President,  
Quantum Spatial, Inc.

**Paul E. Sullivan**  
Partner, Frost Brown Todd,  
LLC

## Advisory Boards of Directors

### Central Bank, Georgetown Advisory Board of Directors

**Dallas Blankenship**  
Retired Superintendent,  
Scott County Board of Education

**Mason "Butch" Glass**  
Community Volunteer

**William C. Haugh**  
CEO, Georgetown  
Community Hospital

**George H. Lusby**  
Retired Scott County  
Judge Executive

**Kimberly E. Marshall**  
Market President

**Randy Mason**  
Owner-Operator,  
McDonald's

**W. Thomas Prather**  
Chairman, Central Bank,  
Georgetown &  
Mayor of Georgetown

### Central Bank, Lexington Advisory Board of Directors

**Dennis Anderson**  
President, Anderson  
Communities

**John Atchison**  
Co-owner, Atchison Heller  
Construction

**Rick Avare**  
MAP Entities

**Ray Ball**  
Owner, Ball Homes

**Anthony Beatty**  
U.K. Campus Services &  
Public Safety

**Jed Bullard**  
Owner, E.D. Bullard  
Company

**Lucas Campbell**  
Gorman Company

**Kevin Doyle**  
CFO, Congleton Hacker  
Company

**William Farish, Jr.**  
President, Lane's End Farm

**Crinda Francke**  
President, ExecuTrain of  
Kentucky

**Linda Griffin**  
President, High Bridge  
Spring Water

**Joseph L. Grossman**  
President & CEO,  
Appalachian Regional  
Healthcare, Inc.

**Pat Hayden**  
Retired, Rector Hayden  
Real Estate

**John Irvin, Jr.**  
Attorney, Kinkead & Stilz,  
PLLC

**Judge Mary Noble**  
Retired Judge, Kentucky  
Supreme Court

**Bruce Pieratt**  
Owner, Pieratt's

**Bill Quigg**  
President, Richmond  
Baking Company

**Ed Quinn**  
President & CEO,  
R.J. Corman Railroad  
Company

**Dr. Marcus Randall**  
President, Kentucky  
Medical Services  
Foundation

**Nick Rowe**  
President, Kentucky  
American Water Co.

**Adolph Rupp III**  
Rupp & Associates, Inc.

**Kenny Schomp**  
President & Owner,  
Lexington Truck Sales, Inc.

**Nick Strong**  
President, Old Colony  
Insurance

**Bill Thomason**  
President, Keeneland  
Association

**Lawrence Weathers**  
Chief of Police, Lexington

## Central Bank, Louisville Advisory Board of Directors

**Jonathan S. Blue**  
Chairman, Blue Equity, LLC

**Ronald L. Carmicle**  
Owner, PLC Management

**Marcia Cassidy**  
Director, Capital Link  
Consultants

**Michael D. Foley**  
Retired Partner  
RFH, PLLC Certified Public  
Accountants

**William P. Malone**  
Retired, Deming, Malone,  
Livesay & Ostroff

**William E. Summers IV**  
Retired, Deputy Mayor,  
Louisville Metro  
Government

**Jude Thompson**  
CEO, Delta Dental

**Mark Wheeler**  
Market President

# BOARDS OF DIRECTORS

## Central Bank, Madison County Advisory Board of Directors

**Dianna Ackerman**  
Broker/Owner, ERA Professional  
Hometown Services

**Frankie C. Blevins, Jr.**  
Attorney, Blevins Law, LLC

**Robert R. Blythe**  
Mayor of Richmond  
Pastor, First Baptist Church

**James R. Carr**  
Builder and Developer

**Shannon Combs**  
Partner, Combs, Parsons and  
Collins Funeral Home

**Jeff Fultz**  
Market President

**Greg Gerard**  
President, Baptist Health  
Richmond

**James Ernest Hillard**  
Owner, Middletown Industrial

**Mike Rice**  
Owner, Cars of Kentucky, Inc.

**Rita H. Smart**  
Owner, The Bennett House

## Central Bank, Nicholasville Advisory Board of Directors

**Joan D. Kincaid**  
Vice Chairman of the Board,  
Central Bancshares, Inc. and  
Central Bank & Trust Co.

**Sandra J. Adams**  
Owner, Zaxby's

**Michael D. Foley**  
Retired Partner  
RFH, PLLC Certified Public  
Accountants

**Ben A. Rainwater**  
Tutt, Inc.

**Paul E. Sullivan**  
Partner, Frost Brown Todd, LLC

**Benjamin G. Taylor**  
Taylor Made Farm & Sales  
Agency, Inc.

**Alan S. VanArsdall**  
Market President

## Central Bank, Northern Kentucky Advisory Board of Directors

**Mark Ayer**  
Managing Member  
Reading Investments, LLC

**Adam Bortz**  
CEO, Towne Properties

**Tonya Burns-Gerakos**  
Tonya Burns Law

**Chris Carle**  
Senior Vice President & COO, St.  
Elizabeth Healthcare, Florence

**Wayne Carlisle**  
President & CEO  
Carlisle Enterprises

**David Heidrich**  
CEO, Zalla Companies

**Thomas J. Munninghoff**  
President, Munninghoff, Lange  
& Co.

**Greg Schrand**  
President, GSE, Inc.

**Gregory Shumate**  
Member, Frost Brown Todd, LLC

**James Uebel**  
Market President

**Paul Verst**  
President & CEO, Verst Group  
Logistics, Inc., and Zenith Logistics  
Agency, Inc.

**John Yeager**  
Owner, Ashley Development

## Central Bank, Winchester Advisory Board of Directors

**Gerald F. (Kelly) Healy III**  
Director of Operations  
McDonald's

**Glenn Leveridge**  
Market President

**Rex McCrary, D.M.D.**  
Dentist

**Jeff Monohan**  
President  
The Allen Company

**Ralph J. Palmer**  
President, Palmer  
Engineering Co.

**Patricia M. Smith**  
President, MD Consulting, Inc.

**Robert Strode**  
Retired

**Mary Jane Warner**  
Manager of Power Delivery, East  
Kentucky Power Cooperative, Inc.

# OFFICERS

## Central Bancshares, Inc.

John T. Miner, Jr.  
*Auditing Officer*

Luther Deaton, Jr.  
*Chairman, President & CEO*

Joan D. Kincaid  
*Vice Chairman*

Susan L. Simmons  
*Vice President*

Ranee Leland  
*Vice President & Corporate Secretary*

Edward Barnes  
*Treasurer*

## Central Bank, Lexington

### ADMINISTRATION

Luther Deaton, Jr.  
*Chairman, President & CEO*

Ranee Leland  
*Vice President & Corporate Secretary*

### Auditing

Craig L. Daniels, CPA  
*Executive Vice President*

Lisa S. Grant, CRCM  
*Senior Vice President & Compliance Officer*

Donna J. Craven, CRCM  
*Vice President*

Danny C. Noland  
*Vice President*

## COMMERCIAL BANKING

Paul R. Thornsberry  
*Executive Vice President*

### Commercial Lending

David Ross  
*Senior Vice President*

Mark R. Fox  
*Vice President*

Stephen J. Mallory  
*Vice President*

Jeff Murphy  
*Vice President*

Shane Anderson  
*Assistant Vice President*

### Commercial Real Estate Lending

Megan Barlow  
*Vice President*

Susan A. Dean  
*Vice President*

Paul B. Drake  
*Vice President*

Gary Loucks  
*Vice President*

Jordan Owens  
*Vice President*

## Consumer Lending

D. Keith Preston  
*Vice President*

Jerry F. Smalley  
*Vice President*

### Central Bank Mortgage

Catherine Himes  
*Senior Vice President*

Susan Bradley  
*Vice President*

Tom Breathitt  
*Vice President*

Brad Fields  
*Vice President*

Rebecca Haddix  
*Vice President*

Lorraine Kinley  
*Vice President*

Brian W. West  
*Vice President*

Vina Risner  
*Assistant Vice President*

Lisa Hart  
*Secondary Mortgage Underwriter Officer*

Chris McGaughey  
*CRA Community Development Officer*

Bradley Sutherland  
*Mortgage Lending Officer*

## Corporate Services

Karen Rowland, CTP  
*Senior Vice President*

Joan Patterson, CTP  
*Vice President*

Lisa K. Vickers  
*Vice President*

Chris Campbell  
*Assistant Vice President*

Allison Carter  
*Assistant Vice President*

Ashley N. Rodgers  
*Cash Management Officer*

### Credit Analysis

Jason A. Smith  
*Senior Vice President*

Benjamin Wilbanks  
*Assistant Vice President*

Michael Danhauer  
*Credit Analyst Officer*

### Special Assets

Ellen Sharp  
*Senior Vice President*

Steve Hall  
*Vice President*

Julie Szymanski  
*Vice President*

Becky Mullins  
*Special Assets Officer*

## Loan Review

Marie A. Young  
*Vice President*

LeeAnn Layne  
*Vice President*

Leigh M. Carr  
*Assistant Vice President*

### Small Business

Richard D. Hartley  
*Vice President*

Terri A. Stein  
*Vice President*

### HUMAN RESOURCES

Susan Simmons  
*Executive Vice President*

Amy Manning  
*Senior Vice President*

Shelia Plymale  
*Senior Vice President*

June Carpenter  
*Assistant Vice President*

### TECHNOLOGY SERVICES

Julie Bondra  
*Executive Vice President*

Anna Clayton  
*Senior Vice President*

Kevin J. Lippert  
*Senior Vice President*

David Hake  
*Vice President*

E. Sean Profit  
*Vice President*

Kyle Hamilton  
*Technology Officer*

### RETAIL BANKING

Gregory M. Shewmaker  
*Executive Vice President*

Michael Gartner  
*Senior Vice President*

Matthew S. Ratliff  
*Vice President*

### Banking Centers

Lana Alexander  
*Assistant Vice President*

Gina Ensminger  
*Assistant Vice President*

Angela M. Friesz  
*Assistant Vice President*

Barbara Johnson  
*Assistant Vice President*

Karen Lackey  
*Assistant Vice President*

Shawn McWilliams  
*Assistant Vice President*



# OFFICERS

Philip Rochester  
*Assistant Vice President*

## ENTERPRISE RISK MANAGEMENT

Harvey Sword  
*Vice President*

## WEALTH MANAGEMENT

Anna Hovekamp  
*Assistant Vice President*

## Central Insurance Services

Alexandra T. Wolf  
*Assistant Vice President*

C. Gregory Stacy  
*Executive Vice President*

## Internet Banking

## Trust

Lauren Lovely  
*Trust Officer*

Ross Barnette  
*President*

Sharon Bradley  
*Retail Banking Officer*

Beth Lakes Robinson  
*Vice President*

Brenda P. Oaks  
*Assistant Vice President*

Barry Hickey  
*Executive Vice President*

## Investment Management

Tom Francis  
*Vice President*

Sheila Carmack  
*Retail Banking Officer*

## Funds Management

## Card Services

## Business Development

Timothy D. Fyffe  
*Senior Vice President*

Rob Wessel  
*Vice President*

Rachel Jones  
*Retail Banking Officer*

James R. Nall  
*Assistant Vice President*

Beverly Smalley  
*Assistant Vice President*

Charles N. Rush, Jr.  
*Vice President*

Thomas Corr  
*Vice President*

Justin Whipple  
*Vice President*

Laura M. Owens  
*Retail Banking Officer*

## MARKETING

## Loan Processing

## Employee Benefits

R. Scott King  
*Vice President*

Steven P. Wright  
*Vice President*

## Client Services

Stephen C. Kelly  
*Executive Vice President*

## Loan Services

## Operations

Chris Taylor  
*Trust Officer*

Don Yaden  
*Vice President*

Cathy K. Combs  
*Senior Vice President*

Lesley Catron  
*Assistant Vice President*

Timothy R. Austin  
*Vice President*

Sheila C. Parks  
*Vice President*

## Private Banking

Chris Harrison  
*Assistant Vice President*

Diane Gentry  
*Client Services Officer*

## Correspondent Banking

Shawn Presnell  
*Vice President*

Gayle Dockery  
*Assistant Vice President*

Gregory M. Shewmaker  
*Executive Vice President*

Andrew Alexander  
*Commercial Insurance  
Officer*

## FINANCIAL PLANNING

Doug Flynn  
*Correspondent Banking  
Officer*

## Deposit Services

Leigh Ann Young  
*Assistant Vice President*

Rita L. Bugg  
*Vice President*

Joanna Gwinn-Estill  
*Insurance Officer*

Edward Barnes  
*Executive Vice President &  
Chief Financial Officer*

## OPERATIONS AND SUPPORT

Lisa Durham  
*Vice President*

Carol Robinson  
*Trust Operations  
Supervisor*

Leslie Fannin  
*Vice President*

## Central Investment Center, Inc.

Mark. A. Hampton, CPA  
*Senior Vice President*

## Operations

Bruce McHone  
*Deposit Services Officer*

## Personal Trust

Alicia Jordan  
*Vice President*

Jeff Ginnan  
*Executive Vice President &  
Senior Financial Advisor*

Lisa A. Williamson  
*Assistant Vice President*

Laura Schweitzer  
*Executive Vice President*

Shane Ensminger  
*Vice President & Director  
of Security*

Kathryn Wilson Gibson  
*Senior Vice President*

Mark Ruddell  
*Vice President*

Jeff Fields, CRPS®  
*Vice President &  
Financial Advisor*

Mark Kendall  
*Financial Planning Officer*

Karen G. Crawley  
*Senior Vice President*

Angela D. Campbell  
*Assistant Vice President*

Elizabeth Johns  
*Vice President*

Christopher Thomason  
*Vice President*

Tony Brown  
*Financial Advisor*

Robin Michul  
*Senior Vice President*

Alan Stewart  
*Security Officer*

Matthew Frank, CFP®  
*Assistant Vice President*

# OFFICERS

Deborah Fisher  
*Financial Advisor*

Thomas E. Roberts, CFP®  
*Financial Advisor*

John Saunier  
*Financial Advisor*

Jennifer Wilson  
*Financial Advisor*

## Central Bank, Georgetown

Kimberly E. Marshall  
*Market President*

Jennifer J. Roberts  
*Vice President*

Patricia Voigt  
*Vice President*

Andrea Smith  
*Vice President*

Jennifer Phillips  
*Assistant Vice President*

## Mortgage Lending

Ashley Weir  
*Vice President*

## Central Bank, Louisville

Mark Wheeler  
*Market President*

James E. Evans II  
*Senior Vice President &  
Senior Market Lender*

Amy Sullivan  
*Senior Vice President &  
Senior Market Lender*

John Hubbuch, Jr.  
*Vice President*

Joan Strafer  
*Vice President*

## Credit Analysis

Sandra Stanley  
*Assistant Vice President*

## Mortgage Lending

Jeanie Gammon  
*Vice President*

Bridgette Wingate  
*Mortgage Lending Officer*

## Retail Banking

Edman Cundiff  
*Vice President*

Elaine Fawbush  
*Assistant Vice President*

Lisa K. Kelly  
*Assistant Vice President*

## Private Banking

Robert Slider  
*Senior Vice President*

Mary Littrell  
*Vice President*

Jim Morris  
*Vice President*

M. Trish Osborn  
*Vice President*

## Wealth Management

Bill Kaiser  
*Vice President*

Ballard "Cash" Cassidy  
*Personal Trust Officer*

## Central Bank, Madison County

Jeff Fultz  
*Market President*

Cameron Abney  
*Senior Vice President &  
Senior Market Lender*

Ken Riley  
*Vice President*

## Mortgage Lending

Donna Haney  
*Vice President*

## Central Bank, Nicholasville

Alan S. VanArsdall  
*Market President*

Cathy Lowe  
*Vice President*

Jill Slone  
*Assistant Vice President*

Kathy Moore  
*Retail Banking Officer*

Brandy Osborne  
*Commercial Lending Officer*

Adam Rodgers  
*Commercial Lending Officer*

## Mortgage Lending

Monna Treadway  
*Vice President*

## Central Bank, Northern Kentucky

James Uebel  
*Market President*

Brett Blackwell  
*Senior Vice President &  
Senior Market Lender*

Donald Benzinger  
*Senior Vice President*

Matthew E. Eilers  
*Vice President*

Karen J. Homan  
*Vice President*

Amy Roberts  
*Vice President*

JB Schmidt  
*Commercial Lending Officer*

## Mortgage Lending

Dennis Barnes  
*Vice President*

Dottie Dawson  
*Mortgage Lending Officer*

## Retail Banking

Steven Gillespie  
*Vice President*

Mark Minton  
*Vice President*

Diana Webster  
*Vice President*

## Private Banking

John Finley  
*Senior Vice President*

Karen Hartig  
*Vice President*

Larry Luebbers  
*Vice President*

## Wealth Management

Jeff Augsback  
*Trust Officer*

## Central Bank, Winchester

Glenn Leveridge  
*Market President*

Tim M. Duncan  
*Senior Vice President*

Tammy M. Carroll  
*Vice President*

Lisa T. Earlywine  
*Vice President*

Erica Parks  
*Assistant Vice President*

# OFFICERS

---

**Deborah R. Banks**  
*Retail Banking Officer*

**Crystal Hunt**  
*Retail Banking Officer*

## **Mortgage Lending**

**Paula Beebe**  
*Vice President*

**Lee Coleman**  
*Vice President*



[centralbank.com](http://centralbank.com)

(859) 253-6222

(800) 637-6884

Central Bank & Trust Co. is a wholly owned subsidiary of Central Bancshares, Inc.



Member FDIC