

# BIG ENOUGH TO LEAD. SMALL ENOUGH TO CARE.

2022 THIRD QUARTER REPORT



**Central Bancshares, Inc.**

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

# FOCUSED ON COMMUNITY SINCE 1946.



## 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.

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### For additional copies or information:

MARKETING  
CENTRAL BANK  
300 West Vine Street  
Lexington, KY 40507

# FINANCIAL HIGHLIGHTS

As of and for the nine months ended September 30

(dollars in thousands, except share data)	2022	2021	2020	2019	2018
<b>RESULTS OF OPERATIONS:</b>					
Net income	\$ 14,345	\$ 25,557	\$ 16,462	\$ 24,417	\$ 20,895
Net income per share	0.41	0.73	0.47	0.70	0.60
Book value per share at quarter end	9.66	10.19	9.28	8.77	7.92
<b>AT SEPTEMBER 30:</b>					
Assets	\$ 3,873,931	\$ 3,670,753	\$ 3,121,608	\$ 2,702,142	\$ 2,543,960
Earning assets	3,662,505	3,578,928	3,023,573	2,590,070	2,447,282
Loans, net	2,202,861	2,137,563	2,344,650	2,063,825	2,013,297
Deposits	3,130,144	3,009,738	2,529,449	2,153,725	2,068,166
Shareholders' equity	336,015	354,577	322,702	305,216	275,556
<b>PERFORMANCE RATIOS:</b>					
Return on average assets	0.50%	0.99%	0.74%	1.25%	1.12%
Return on average shareholders' equity	5.53%	10.01%	6.98%	11.19%	10.52%
Average tangible equity					
to average tangible assets	8.65%	9.48%	10.15%	10.74%	10.17%
Net charge-offs to average loans	0.10%	0.06%	0.05%	0.16%	0.08%
Allowance for loan losses as a					
percentage of quarter end loans	1.13%	1.13%	0.99%	0.94%	1.02%
Net interest margin (tax equivalent)	2.72%	3.16%	3.53%	4.05%	3.99%

## CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	September 30 2022	September 30 2021
<b>ASSETS</b>		
Cash and due from financial institutions	\$ 60,040	\$ 36,365
Interest bearing deposits with other financial institutions	169,100	1,014,700
Total cash and cash equivalents	<u>229,140</u>	<u>1,051,065</u>
Debt securities	1,259,598	395,481
Loans, net of unearned income	2,228,002	2,161,996
Allowance for loan losses	(25,141)	(24,433)
Loans, net	<u>2,202,861</u>	<u>2,137,563</u>
Premises and equipment, net	108,651	27,206
Federal Home Loan Bank stock	5,805	6,751
Intangible assets	14,313	14,313
Prepaid expenses and other assets	53,563	38,374
<b>Total assets</b>	<u>\$ 3,873,931</u>	<u>\$ 3,670,753</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits:		
Non-interest bearing	\$ 1,342,265	\$ 1,316,887
Interest bearing	1,787,879	1,692,851
Total deposits	<u>3,130,144</u>	<u>3,009,738</u>
Repurchase agreements	255,127	217,313
Federal funds purchased	500	500
Federal Home Loan Bank advances	25,052	25,297
Subordinated debentures	15,000	15,000
Other liabilities	112,093	48,328
Total liabilities	<u>3,537,916</u>	<u>3,316,176</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 shares issued and outstanding	-	-
Additional paid-in capital	6,890	6,890
Retained earnings	363,859	345,660
Unearned ESOP shares	(2,554)	-
Accumulated other comprehensive loss	(35,659)	(1,452)
Total shareholders' equity	<u>336,015</u>	<u>354,577</u>
Total liabilities and shareholders' equity	<u>\$ 3,873,931</u>	<u>\$ 3,670,753</u>

**CONSOLIDATED STATEMENTS OF INCOME**

(in thousands, except share data)

For the nine months ended  
September 30  
2022  
September 30  
2021**INTEREST INCOME**

Loans, including fees	\$ 67,041	\$ 79,048
Debt securities	8,584	2,104
Deposits with other financial institutions	3,437	635
	<u>79,062</u>	<u>81,787</u>

**INTEREST EXPENSE**

Interest on deposits	4,197	2,377
Interest on borrowed funds	893	765
	<u>5,090</u>	<u>3,142</u>

Net interest income	73,972	78,645
Provision for loan losses	3,315	727
Net interest income after provision for loan losses	<u>70,657</u>	<u>77,918</u>

**NON-INTEREST INCOME**

Service charges on deposit accounts	4,592	4,157
Service charges on loans	7,914	10,978
Wealth management income	13,031	13,549
Other income	6,691	6,493
	<u>32,228</u>	<u>35,177</u>

**NON-INTEREST EXPENSE**

Salaries	32,546	33,663
Benefits	9,343	7,961
Occupancy and equipment	15,515	14,418
Other non-interest expenses	29,061	26,343
	<u>86,465</u>	<u>82,385</u>

Income before income taxes	16,420	30,710
Income taxes	2,075	5,153
<b>Net income</b>	<u>\$ 14,345</u>	<u>\$ 25,557</u>

<b>Basic earnings per share</b>	\$ 0.41	\$ 0.73
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# BOARDS OF DIRECTORS



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

## Central Bancshares, Inc. and Central Bank & Trust Co. Boards 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.

**Ulysses Lee "Junior" Bridgeman**  
President & CEO, Bridgeman Foods Inc.

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

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

**G. Michael Ritchie**  
Owner, MND Holdings, LLC

**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

**Lee F. Carter**  
Executive Director, Kentucky Horse Park

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

**Mason "Butch" Glass**  
Community Volunteer

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

**Kimberly E. Marshall**  
Market President

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

**W. Thomas Prather**  
Mayor of Georgetown

**Clifford A. Wilson III**  
CEO, Georgetown Community Hospital & Market President, Central Kentucky LifePoint Hospitals

### Central Bank, Lexington Advisory Board of Directors

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President & Owner, Integrated Security Solutions

**Rick Avare**  
MAP Entities

**William Brewer**  
Dink, Inc.

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Owner, E.D. Bullard Company

**Lucas Campbell**  
Gorman Company

**Kevin Doyle**  
CFO, Congleton Hacker Company

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

**Don Howard, Jr.**  
President, H&W Management

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

**Bill Justice**  
President, Justice Real Estate

**Debbie Long**  
Owner, Dudley's on Short

**Louis Mulloy**  
LTM Associates, LLC

**P.G. Peeples**  
President & CEO, Urban League of Lexington-Fayette County

**Deborah Spike-Pierce, DVM**  
President & CEO, Rood & Riddle Equine Hospital

**Bill Quigg**  
President, More Than A Bakery

**Bill Quenomoen**  
CEO, Denham-Blythe Company

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

**Kenny Ray Schomp**  
President, Longship Logistics

**Mike Smith**  
Principal, Sherman Carter Barnhart Architects

**Gregg Thornton**  
Member, Ward, Hacker & Thornton, PLLC

**Dr. Lee Todd**  
Retired President, University of Kentucky

**Lawrence Weathers**  
Chief of Police, Lexington

**Kathy Wilford**  
Principal, Interspace Limited Design Group

**Carol Worsham**  
President, Winterwood, Inc.

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**Claire Alagia**  
General Manager, Wakefield Reutlinger Realtors

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

**Marcia Cassady**  
Director, Capital Link Consultants

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

**William "Billy" K. Doelker**  
Owner, Key Homes, LLC

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

# BOARDS OF DIRECTORS

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*Retired, Deputy Mayor &  
Louisville Metro Government*

## **Central Bank, Madison County Advisory Board of Directors**

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*Broker/Owner, ERA Professional  
Hometown Services*

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*Mayor of Richmond  
Pastor, First Baptist Church*

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*Builder and Developer*

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

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

**Jeff Fultz**  
*Market President*

**Greg Gerard**  
*President, Baptist Health  
Richmond*

**James Ernest Hillard**  
*Owner, Middletown Industrial*

**Dr. David McFaddin**  
*President, Eastern Kentucky  
University*

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

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*Owner, Zaxby's*

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

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

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*Vice Chairman of the Board,  
Central Bancshares, Inc. and  
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*Tutt, Inc.*

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*Partner, Frost Brown Todd, LLC*

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*Market President*

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*Tonya Burns Law*

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Elizabeth Healthcare, Florence*

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*President & CEO  
Carlisle Enterprises*

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

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*CEO, Zalla Companies*

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*President, Munninghoff,  
Lange & Co.*

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

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

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*Vice President & General  
Manager, Turner Construction  
Company*

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*Market President*

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

**John Yeager**  
*Owner, Ashley Development*

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Central Bancshares, Inc. and  
Central Bank & Trust Co.*

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*Market President*

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

**Glenn D. Leveridge**  
*Retired, Central Bank Market  
President*

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

**Jeff Monohan**  
*President,  
The Allen Company*

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

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

**Robert Strode**  
*Retired, Farming &  
Agribusiness*

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

# OFFICERS

## Central Bancshares, Inc.

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Chairman, President &  
CEO

Joan D. Kincaid  
Vice Chairman

Susan L. Simmons  
Vice President

Ranee Leland  
Vice President

Edward Barnes  
Treasurer

## Central Bank, Lexington

### ADMINISTRATION

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Chairman, President &  
CEO

Ranee Leland  
Vice President

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Jennifer R. Stivers  
Executive Vice President

Donna J. Craven, CRCM  
Senior Vice President

Lisa S. Grant, CRCM  
Senior Vice President

Danny C. Noland  
Vice President

Scott Guise  
Auditing Officer

### Loan Review

LeeAnn Layne  
Vice President

Leigh M. Carr  
Assistant Vice President

### COMMERCIAL BANKING

Paul R. Thornsberry  
Executive Vice President

### Commercial Lending

David Ross  
Senior Vice President

Shane Anderson  
Vice President

Mark R. Fox  
Vice President

Stephen J. Mallory  
Vice President

Ryan Allen  
Commercial Lending  
Officer

Cameron Freeman  
Commercial Mortgage  
Officer

### 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

Ramon Greene  
Indirect Lending Officer

Cameron Steiner  
Consumer Mortgage  
Underwriter Officer

### Central Bank Mortgage

Catherine Himes  
Senior Vice President

Tom Breathitt  
Vice President

Brad Fields  
Vice President

Lorraine Kinley  
Vice President

Bradley Sutherland  
Vice President

Brian W. West  
Vice President

Lisa Hart  
Vice President

Vina Risner  
Assistant Vice President

Melissa McCay  
Secondary Mortgage  
Underwriter Officer

Chris McGaughey  
Community Development  
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  
Assistant Vice President

### Credit Analysis

Steffen Hanser  
Assistant Vice President

Michael Danhauer  
Credit Analyst Officer

### Special Assets

Steve Hall  
Vice President

Becky Mullins  
Assistant Vice President

Mike McFarland  
Special Assets Officer

### Loan Processing

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Vice President

### HUMAN RESOURCES

Susan L. Simmons  
Executive Vice President

Shelia Plymale  
Senior Vice President

Andrea Creech  
Human Resources Officer

Janette Hodges  
Human Resources Officer

### TECHNOLOGY SERVICES

Anna Clayton  
Senior Vice President

David Hake  
Senior Vice President

Kevin J. Lippert  
Senior Vice President

E. Sean Profit  
Senior Vice President

Adrian Embree  
Technology Officer

Kyle Hamilton  
Technology Officer

## RETAIL & PRIVATE BANKING

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Executive Vice President

Matthew S. Ratliff  
Vice President

Nicole Wiseman  
Retail Administration  
Officer

### Banking Centers

Lana Alexander  
Assistant Vice President

Sharon Bradley  
Assistant Vice President

Gina Ensminger  
Assistant Vice President

Angela M. Friesz  
Assistant Vice President

Barbara Johnson  
Assistant Vice President

Karen Lackey  
Assistant Vice President

Philip Rochester  
Assistant Vice President

Alexandra T. Wolf  
Assistant Vice President

Bobby Cain  
Retail Banking Officer

Sheila Carmack  
Retail Banking Officer



# OFFICERS

Rachel Jones  
*Retail Banking Officer*

Laura M. Owens  
*Retail Banking Officer*

## Client Services

Diane Gentry  
*Vice President*

## Marketing

Lesley Catron, CFMP  
*Senior Vice President*

Christine Whalen  
*Marketing Officer*

## Correspondent Banking

Doug Flynn  
*Correspondent Banking Officer*

## Private Banking

Mark Ruddell  
*Senior Vice President*

Leslie Flynn  
*Vice President*

Jeff Murphy  
*Vice President*

Christopher Thomason  
*Vice President*

Melissa Shimfessel  
*Assistant Vice President*

## FINANCIAL PLANNING

Edward Barnes  
*Executive Vice President & CFO*

Mark A. Hampton, CPA  
*Senior Vice President*

Mark Kendall  
*Assistant Vice President*

Lisa A. Williamson  
*Assistant Vice President*

## ENTERPRISE RISK MANAGEMENT

C. Gregory Stacy  
*Executive Vice President*

Beth Lakes Robinson  
*Vice President*

## Funds Management

James R. Nall  
*Assistant Vice President*

## OPERATIONS AND SUPPORT

Laura Schweitzer  
*Executive Vice President*

## Facilities

Harvey Sword  
*Senior Vice President*

## Image Processing

Ryan Leigh Chapman  
*Assistant Vice President*

## Loan Services

Timothy R. Austin  
*Vice President*

Shawn Presnell  
*Vice President*

## Deposit Services

Lisa Durham  
*Senior Vice President*

## Financial Intelligence & Security Unit

Shane Ensminger  
*Senior Vice President*

Angela D. Campbell  
*Assistant Vice President*

Alan Stewart  
*Security Officer*

## Retail Operations

Michael Gartner  
*Senior Vice President*

Joshua Bly  
*Retail Operations Officer*

## Digital Banking

Brenda P. Oaks  
*Vice President*

## Card Services

Chris Eder  
*Card Services Officer*

Ken Kirk  
*Card Services Officer*

## WEALTH MANAGEMENT

Barry Hickey  
*Executive Vice President*

## Business Development

Charles N. Rush, Jr.  
*Vice President*

## Employee Benefits

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*Vice President*

Terri Shaw  
*Trust Officer*

## Operations

Leigh Ann Young  
*Assistant Vice President*

## Personal Trust

Kathryn Wilson Gibson  
*Senior Vice President*

Elizabeth Johns  
*Vice President*

Matthew Frank, CFP®  
*Vice President*

Anna Hovekamp  
*Vice President*

Jenny Foley, CPA  
*Assistant Vice President*

Lauren Lovely  
*Assistant Vice President*

## Investment Management

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*Senior Vice President*

Chris Address, CFA®  
*Vice President*

Thomas Corr  
*Vice President*

Patrick Rassi  
*Senior Trust Investment Officer*

Chris Taylor  
*Trust Officer*

## CENTRAL INSURANCE SERVICES

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*President*

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*Vice President*

Rob Wessel  
*Vice President*

Justin Whipple  
*Vice President*

Steven P. Wright  
*Vice President*

Don Yaden  
*Vice President*

Chris Harrison  
*Assistant Vice President*

Joanna Gwinn-Estill  
*Insurance Officer*

## CENTRAL INVESTMENT CENTER, INC.

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*Executive Vice President & Senior Financial Advisor*

Tony Brown  
*Vice President & Financial Advisor*

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

Deborah Fisher  
*Assistant Vice President & Financial Advisor*

Thomas E. Roberts, CFP®  
*Financial Advisor*

John Saunier  
*Financial Advisor*

Jennifer Wilson  
*Financial Advisor*

## CENTRAL BANK, GEORGETOWN

Kimberly E. Marshall  
*Market President*

Andrea Smith  
*Vice President*

## Retail Banking

Crystal Hunt  
*Retail Banking Officer*

Shelby Lyons  
*Retail Banking Officer*

# OFFICERS

## Mortgage Lending

Ashley Weir  
*Vice President*

## CENTRAL BANK, LOUISVILLE

Mark Wheeler  
*Market President*

John Hubbuch, Jr.  
*Vice President*

Benjamin Morris  
*Vice President*

James "Jim" R. Sparks  
*Vice President*

## Retail Banking

Edman Cundiff  
*Vice President*

Elaine Fawbush  
*Vice President*

Clayton Rogers  
*Retail Banking Officer*

Bridgette Wingate  
*Community Development  
Officer*

## Mortgage Lending

Trevor Humphrey  
*Mortgage Lending Officer*

## 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*

## CENTRAL BANK, MADISON COUNTY

Jeff Fultz  
*Market President*

Cameron Abney  
*Senior Vice President &  
Senior Market Lender*

Ken Riley  
*Vice President*

Andrew Alexander  
*Commercial Lending Officer*

## Retail Banking

Shawn McWilliams  
*Vice President*

Kristy Napier  
*Retail Banking Officer*

## Mortgage Lending

Donna Haney  
*Vice President*

## CENTRAL BANK, NICHOLASVILLE

Alan S. VanArsdall  
*Market President*

Adam Rodgers  
*Vice President*

## Retail Banking

Jill Slone  
*Assistant Vice President*

Kathy Moore  
*Retail Banking Officer*

## Mortgage Lending

Monna Treadway  
*Vice President*

## CENTRAL BANK, NORTHERN KENTUCKY

James Uebel  
*Market President*

John Finley  
*Senior Vice President*

Karen Hartig  
*Senior Vice President*

Andy Hils  
*Senior Vice President &  
Senior Market Lender*

Karen J. Homan  
*Senior Vice President*

JB Schmidt  
*Assistant Vice President*

Mandy Barker  
*Commercial Lending Officer*

## Retail Banking

Steven Gillespie  
*Vice President*

Adam Metzger  
*Vice President*

Mark Minton  
*Vice President*

Diana Webster  
*Vice President*

## Mortgage Lending

Dottie Dawson  
*Assistant Vice President*

## Private Banking

Matthew E. Eilers  
*Senior Vice President*

Larry Luebbbers  
*Vice President*

Hank Heidrich  
*Private Banking Officer*

## Wealth Management

Jeff Augsback  
*Trust Officer*

## CENTRAL BANK, WINCHESTER

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*Market President*

Bo Henry  
*Senior Vice President &  
Senior Market Lender*

Erica Parks  
*Assistant Vice President*

## Retail Banking

Tammy M. Carroll  
*Vice President*

Deborah R. Banks  
*Retail Banking Officer*

## Mortgage Lending

Paula Dickens  
*Vice President*

Lisa T. Earlywine  
*Vice President*

# NOTES

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