

2022 ANNUAL REPORT



HomeTown
THE BANK YOU'LL
CALL HOME
Bank





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Allan Rasmussen
President and CEO

Board of Directors

Dotsy Balentine
Kent Ballard
Stacy Dienst
Maurice Estlinbaum
Sidney C. Farmer III
M.J. Gaido, Jr.
Greg Garrison
E. Vince Matthews III
Robert L. Moody, Jr.
Allan Rasmussen
Jimmy Rasmussen, CEO Emeritus
G. William Rider
T.A. Waterman, Jr.



Michael J. Gaido, Jr.
Board Chairman



Contact Information:

Internet: www.HomeTown.Bank
Email: service@hometown.bank



HomeTown Bank Locations



Main Bank 1801 45th Street • Galveston • (409) 763-1271 • Kyle McFatridge, Branch Manager



Galveston Seawall

4424 Seawall Boulevard
Phone: (409) 763-5252

Tiffini Hughes, Branch Manager

Friendswood Downtown

601 S. Friendswood Drive
Phone: (281) 996-4900

Annie Pohlemann, Branch Manager





Alvin

1050 North Bypass 35

Phone: (281) 388-5000

Tracy Vasquez, Branch Manager

League City

1406 West Main (FM 518)

Phone: (281) 554-3265

Christy A. Rouse, Branch Manager



Friendswood Bay Area

3211 FM 528

Phone: (281) 648-9000

Aaron Leteff, Branch Manager

Pearland

2651 Pearland Parkway

Phone: (281) 412-8000

Lauren Zahniser, Branch Manager



MANAGEMENT SUMMARY

HomeTown Bank, National Association, engages in the banking business in Galveston, Friendswood, League City, Alvin, and Pearland, Texas. The bank's business is oriented toward serving the financial needs of its customers, both business and personal.

The competitive conditions in Galveston are not unusual for a city with a population of approximately 53,695. There are twelve competing banks and credit unions with offices on Galveston Island. Only three of the banks are locally owned. The headquarters for HomeTown Bank remains in Galveston.

The League City, Alvin, Pearland, and two Friendswood locations compete for business in northern Galveston, southern Harris, and eastern Brazoria Counties, where large and small banks and credit unions create intense competition. HomeTown Bank has attracted residential and commercial real estate and retail installment loans to purchase automobiles and other consumer items. For the fiscal year ending December 31, 2022, HomeTown Bank had approximately \$76 million in outstanding loan commitments compared to \$71 million in 2021 and \$54 million in 2020. All the outstanding loan commitments as of December 31, 2022, are expected to be exercised during 2023.

HomeTown Bank remains a strong real estate lender, as 91.52 percent of the bank's loans are secured by real property. The loans are spread across our market area, and strict underwriting standards have produced losses well below peer levels. A substantial percentage of the commercial real estate portfolio is made up of loans to owner-occupied businesses. The bank's business is not seasonal to any significant extent. HomeTown Bank has no foreign source for deposits or loans, as all the bank's business is local in nature.

The bank has approximately 109 full-time equivalent employees. The bank is engaged in commercial and consumer activities. The bank does not participate in any international, trust, or municipal trading services. To the best of our officers' knowledge, local compliance with federal, state, and local provisions, which have been enacted or adopted, regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, have not had a material effect upon the capital expenditures, earnings, or competitive position of the bank.

The bank's common stock is not registered on any stock exchange. There is no market maker, and market quotations are not available. As of December 31, 2022, there were 382,657.18 outstanding shares of the common stock of HomeTown Bank, National Association. There were 567 holders of common stock at that date.

Whitley Penn, LLP serves as the banks outside auditor. The bank's Internal Audit Committee is composed of four outside directors. In addition, the bank employs a full-time internal audit coordinator and auditing consultant who performs specific audits for the bank. HomeTown Bank, N.A. is a national bank and is examined by the Office of the Comptroller of the Currency. The bank is also a member of the Federal Deposit Insurance Corporation, and the Federal Reserve System and files reports quarterly with the Office of Comptroller of the Currency.

Deposits grew 5.24 percent in 2022 compared to 18.85 percent in 2021 and 25.70 percent in 2020. Deposits for 2023 are projected to increase by 1.16 percent. The projected deposit increase will place no burden on capital requirements.

The loan loss reserve at year-end 2022 totaled \$6,251,202 compared to \$6,005,923 in 2021. As of December 31, 2022, the reserve was 1.28 percent of total loans compared to 1.37 percent in 2021. The reserve is considered adequate by management based on the robust performance of the loan portfolio. The 2023 budget will keep the loan loss reserve to the total loan ratio from 1.20 to 1.30 percent. As of December 31, 2022, non-accrual loans totaled \$883,662 compared to \$562,743 in 2021 and \$753,672 in 2020. Non-accrual loans as a percentage of total loans on December 31, 2022, were 0.18 percent compared to 0.13 percent in 2021 and 0.15 percent in 2020. Management believes the amount of non-accrual loans is at a manageable level.

As of December 31, 2022, The Baker Group- Oklahoma City, The Independent Bankers Bank- Dallas, and Raymond James Fixed Income Capital Markets are the approved vendors for the bank's investment portfolio. As of December 31, 2022, the bank's investment portfolio represents 40.42 percent of total assets compared to 36.79 percent in 2021.

The bank follows the Accounting Standards Codification 320 Investments - Debt and Equity Securities guidance. Management can and intends to hold securities to maturity are classified as "Held to Maturity" and carried at cost. All other securities are classified as "Available for Sale" and are carried at fair value. Unrealized gains and losses on "Available for Sale" securities are recognized as direct increases or decreases in stockholder's equity.

As of December 31, 2022, the "Available for Sale" portion of the portfolio showed an unrealized loss in fair value of (\$42,161,011) with an after-tax adjustment to the capital of (\$33,307,184). This compares with an unrealized gain of \$1,963,271 in 2021 with an after-tax adjustment to the capital of \$1,550,985. The bank does not believe these unrealized losses are "other than temporary" as the bank does not have the intent to sell, nor will the bank have to sell the investments prior to recovery. The unrealized losses noted are due to the level of interest rates at December 31, 2022 and 2021. After reviewing the ratings of the investment issuers, the bank has not identified any issues related to the ultimate repayment of principal.

Stockholders' equity was \$67,276,434 and \$94,724,343 for the years ended December 31, 2022 and 2021. The significant decrease is attributable to the aforementioned unrealized holding loss in the investment portfolio. The bank's book value as of December 31, 2022 was \$175.81 per share. Tier 1 Risk-Based Capital at year-end 2022 was 17.38 percent compared to 17.92 percent in 2021 and 16.25 percent in 2020. The 2022 Leverage Ratio was 10.46 percent compared to 11.07 percent in 2021 and 11.22 percent in 2020. All capital ratios are above regulatory minimums. A cash dividend of \$5.15 per share totaling \$1,970,684 was paid in 2022. The cash dividend was \$5.00 per share totaling \$1,913,285 in 2021.

Net income after federal income tax for 2022 was \$9,380,944 compared to \$9,377,721 in 2021 and \$9,634,583 in 2020. Net earnings increased by 0.03 percent in 2022 as compared to 2021. The new gross loan volume totaled \$165.1 million in 2022 compared to \$138.5 million in 2021 and \$110.2 million in 2020. Income on investment securities was \$7.27 million in 2022 compared to \$4.43 million in 2021.

The 2023 budget projects a 6.84 percent decrease in net income after tax due to a lower net interest margin and current economic conditions. These forward-looking statements relate to, among other things, expectations of the business environment in which HomeTown Bank, N.A. operates, projections of future performance, perceived opportunities in the market, and statements regarding the bank's mission and vision. The bank's actual results, performance, or achievements may differ significantly from the results, performance, or achievements expressed or implied in such forward-looking statements.

Thank you for your investment in HomeTown Bank.



Allan Rasmussen
President and CEO



Kyle McFatridge
Chief Financial Officer

HomeTown Bank Officers

Allan Rasmussen
President & CEO

Steve Owens
Senior Vice President

Anita Pohlemann
Vice President

Jimmy Rasmussen
CEO Emeritus

Bill Provenzano
Senior Vice President

Diana Ramos
Vice President

Kyle McFatrige
Executive Vice President

Martha Salinas
Senior Vice President

Brandon Rogers
Vice President

Scott Kusnerik
Executive Vice President

Scott Asimakis
Vice President

Christy A. Rouse
Vice President

Candy Temple
Executive Vice President

Jenny Calles
Vice President

Denise Spruiell
Vice President

Elizabeth Birch
Senior Vice President

Timothy Cox
Vice President

Tracy Vasquez
Vice President

Stephany Cantu
Senior Vice President

Jim Goebel
Vice President

Elise Worthen
Vice President

Tyron Collins
Senior Vice President

Cynthia Gomez
Vice President

Lauren Zahniser
Vice President

Gayle Culling
Senior Vice President

Lulu Higgins
Vice President

Maria Barrera
Assistant Vice President

Chad Dudley
Senior Vice President

Tiffini Hughes
Vice President

Andrea Dykes
Assistant Vice President

Rosie Garcia
Senior Vice President

Aaron Leteff
Vice President

Ana Mireles
Assistant Vice President

Sharon Hansen
Senior Vice President

Jeanette Mack
Vice President

Paulina Molina
Assistant Vice President

Cesar Hernandez
Senior Vice President

Jill Miller
Vice President

Dawn Olguin
Assistant Vice President

Jennifer Matthews
Senior Vice President

Chris Myers
Vice President

Macrina Ortiz
Assistant Vice President

Sean P. Murphy
Senior Vice President

Susan O'Quinn
Vice President

Crystal Pena
Assistant Vice President

HomeTown Bank Management Team



Allan Rasmussen
President & CEO



Jimmy Rasmussen
CEO Emeritus



Scott Kusnerik
Executive
Vice President



Kyle McFatricge
Executive
Vice President



Candy Temple
Executive
Vice President

Loan Officers



Cesar Hernandez
Senior Vice President
Galveston



Bill Provenzano
Senior Vice President
League City



Sean Murphy
Senior Vice President
Pearland



Steve Owens
Senior Vice President
Friendswood
Bay Area



Tyron Collins
Senior Vice President
Friendswood
Bay Area



Chad Dudley
Vice President
Alvin



Jim Goebel
Vice President
League City



Scott Asimakis
Vice President
Friendswood
Downtown



Brandon Rogers
Vice President
Galveston



Message from the President

March 17, 2023

I remember back in 1988 when my father, Jimmy Rasmussen, called a “family meeting” to inform my sister and I that he had taken a new job in Galveston. Now, over 33 years later, I find myself having the same opportunity to lead the same institution that he has put his heart and soul into. As he settles into retirement, he leaves the legacy of an outstanding, 40-plus year career as a community banker and over 33 years of it with HomeTown Bank. He has reached the pinnacle of his profession with integrity and has genuinely enjoyed every minute of it. I am thankful he will remain on the Board of Directors as CEO Emeritus.

As we plan for 2023 and beyond, I am honored and humbled to be in this unique position as President and CEO. In my 24 years with both Bank of Galveston and HomeTown Bank, not only do I take both successes and shortcomings personally, but I also take them to heart. Please know that the decisions made going forward will be in the best interests of our customers, our employees, and all of YOU, our shareholders.

Our HomeTown Bank had another outstanding year of strong earnings in 2022, despite these unprecedented times. On the following pages, you will find our audited financial results for the twelve months ending December 31, 2022.

After a \$129 million increase in deposits in 2021, we followed with over \$51 million in deposit growth in 2022. Much of the government stimulus money has slowed, but overall net deposit growth was still strong historically. Loan growth was a different story. We had a record net loan growth of \$51.6 million after a disappointing net loan growth in 2021. The year 2022 was the first since 2020 where earnings did not receive a boost from the paycheck protection program (PPP) fees after receiving \$923 thousand in 2021 and \$2.1 million in 2020. Net income after tax still remained strong at \$9.380 million compared to \$9.377 million in 2021 and \$9.634 million in 2020. As a result, we paid a record cash dividend of \$5.15 compared to \$5.00 per share in 2021 and \$4.85 per share in 2020.

HomeTown Bank loan officers produced a record-setting \$165 million in new loans in 2022. The gross loan total compares to \$138 million in 2021 and \$110 million in 2020. We were fortunate to hire a seasoned loan officer who had a fantastic year, along with our other high producers. The goal for 2023 will be to continue our net loan growth, but growing net deposits will be at the fore front for our loan officers as the industry faces a liquidity shortage. Be on the lookout for upcoming deposit rate promotions. We hope you take advantage of these opportunities and also bring new funds from other financial institutions. We would also greatly appreciate your referrals.

I am also excited to report that our new Seawall location is scheduled to be open by the end of the first quarter 2023. The building will be a showpiece on Seawall Boulevard with spectacular views of the gulf and a welcoming, coastal interior design. We hope you stop by to see us and tour the new branch.

Several challenges lie ahead as we navigate narrowing interest rate margins after experiencing unprecedented interest rate hikes. However, despite those challenges, there will also be exciting opportunities. Our professional team is composed of responsive, local people who focus on customer relationships that will last for generations to come. One of the first things my dad told me when I started is that community banks should be a reflection of the communities we serve. We are committed to our customers and to the communities we are in. Our people make the difference. I have the best team in the world, and we are definitely up for the challenge.

Please call or stop by any of our locations and be greeted with a smile. Thank you for your investment and support in HomeTown Bank.

Sincerely,



Allan Rasmussen
President & CEO

2022 Appendix A

Statements of Condition

	December 31,	
	2022	2021
Assets		
Cash and balances due from depository institutions:		
Noninterest-bearing balances, currency and coin	\$ 7,184,795	\$ 8,839,880
Interest-bearing balances	34,118,964	104,706,793
Total cash and cash equivalents	<u>41,303,759</u>	<u>113,546,673</u>
Federal funds sold	-	18,000,000
Securities available for sale	376,459,190	335,608,817
Securities held to maturity	3,573,960	2,247,150
Loans, total	486,919,189	435,844,954
Less: Reserve for possible loan losses	<u>(6,251,202)</u>	<u>(6,005,923)</u>
Loans, net	480,667,987	429,839,031
Bank Premises, equipment, furniture, fixtures and autos (net of depreciation)	11,422,808	9,147,180
Letters of Credit	3,382,008	4,052,424
Other Assets	14,615,817	4,826,227
TOTAL ASSETS	\$ 931,425,529	\$ 917,267,502
Liabilities		
Demand deposits	665,342,995	592,610,787
Savings deposits	94,552,476	95,187,310
Time deposits	98,592,569	127,913,462
Federal funds purchased	-	-
Letters of Credit	3,382,008	4,052,424
Other Liabilities	2,279,047	2,779,176
TOTAL LIABILITIES	\$ 864,149,095	\$ 822,543,159
Stockholders' Equity		
Common Stock	12/31/22	12/31/21
Number Shares		
authorized	382,657	382,657
Number Shares		
outstanding	382,657	382,657
Common Stock (Par Value) \$1.00	\$ 382,657	\$ 382,657
Surplus	415,455	415,455
Undivided Profits	99,785,506	92,375,246
Accumulated other comprehensive (loss) income	(33,307,184)	1,550,985
TOTAL STOCKHOLDERS' EQUITY	\$ 67,276,434	\$ 94,724,343
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 931,425,529	\$ 917,267,502

The accompanying management summary is an integral part of these financial statements.

2022 Appendix B

Statements of Income

	2022	December 31, 2021	2020
<i>Operating Income</i>			
Interest and fees on loans	\$ 22,173,250	\$ 22,695,793	\$ 25,187,797
Income on Federal funds sold and securities purchased under agreements to resell	64,753	13,971	39,737
Interest on Mortgage-backed securities	4,479,482	2,280,611	2,099,173
Interest on obligations of other U.S. Government Agencies and Corporations	32,221	66,349	98,300
Interest on obligations of States and political subdivisions	2,762,639	2,084,493	1,622,850
Dividends on stock	4,398	1,755	3,785
Interest on other investments	391,226	142,017	145,058
Service charges on deposit accounts	339,834	350,928	370,868
Other charges, collection and exchange charges, commissions and fees	475,166	347,085	452,992
Other operating income	1,383,716	1,513,980	1,234,669
TOTAL OPERATING INCOME	\$ 32,106,685	\$ 29,496,982	\$ 31,255,229
<i>Operating Expenses</i>			
Salaries, wages and other employee benefits	\$ 9,181,180	\$ 8,611,615	\$ 8,279,471
Interest on Time Certificates of Deposit of \$100,000 or more	630,858	927,602	1,678,915
Interest on other deposits	2,791,827	1,253,785	1,900,173
Occupancy expense of bank premises	977,938	981,986	907,201
Furniture and equipment expense (including depreciation of \$304,038, \$321,810, \$340,686)	639,895	616,337	584,430
Provision for possible loan losses	250,000	100,000	975,000
Other expenses	6,422,159	5,634,413	5,096,155
TOTAL OPERATING EXPENSES	\$ 20,893,857	\$ 18,125,738	\$ 19,421,345
Income before income taxes	11,212,828	11,371,244	11,833,884
Income taxes			
Current	1,847,762	2,086,063	2,421,219
Deferred (benefit) expense	(15,878)	(92,540)	(221,918)
Income taxes, net	<u>1,831,884</u>	<u>1,993,523</u>	<u>2,199,301</u>
Net Income	\$ 9,380,944	\$ 9,377,721	\$ 9,634,583
Earnings per common share			
Net Income	\$ 24.52	\$ 24.51	\$ 25.18

The accompanying management summary is an integral part of these financial statements.

2022 Appendix C

Statements of Comprehensive Income

	December 31,		
	2022	2021	2020
Net income	\$ 9,380,944	\$ 9,377,721	\$ 9,634,583
Other comprehensive income, net of tax			
Unrealized gains (losses) on securities:			
Change in unrealized gain (loss) on securities available-for-sale, net of deferred income tax (benefit) expense of (\$9,266,906), (\$1,053,301), and \$1,173,479	(34,859,694)	(3,978,381)	4,472,456
Reclassification adjustment for realized gains on investment securities available for sale included in net income, net of income tax expense of \$-0-, (\$41,039), and (\$15,401)	-	(154,384)	(57,939)
Reclassification adjustment for realized losses on investment securities available for sale included in net income, net of income tax benefit \$405, \$36,796, and \$-0-	<u>1,525</u>	<u>138,422</u>	<u>-</u>
Total other comprehensive (loss) income	<u>(34,858,169)</u>	<u>(3,994,343)</u>	<u>4,414,517</u>
Comprehensive (loss) income	<u>\$ (25,477,225)</u>	<u>\$ 5,383,378</u>	<u>\$ 14,049,100</u>

The accompanying management summary is an integral part of these financial statements.

2022 Appendix D

Statements of Changes in Stockholders' Equity

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total Stockholders' Equity</u>
Balances - December 31, 2020	\$ 382,657	\$ 415,455	\$ 84,910,810	\$ 5,545,328	\$ 91,254,250
Net Income	-	-	9,377,721	-	9,377,721
Other comprehensive loss	-	-	-	(3,994,343)	(3,994,343)
Cash dividends (\$5.00 per share)	<u>-</u>	<u>-</u>	<u>(1,913,285)</u>	<u>-</u>	<u>(1,913,285)</u>
Balances - December 31, 2021	382,657	415,455	92,375,246	1,550,985	94,724,343
Net Income	-	-	9,380,944	-	9,380,944
Other comprehensive loss	-	-	-	(34,858,169)	(34,858,169)
Cash dividends (\$5.15 per share)	<u>-</u>	<u>-</u>	<u>(1,970,684)</u>	<u>-</u>	<u>(1,970,684)</u>
Balances - December 31, 2022	<u>\$ 382,657</u>	<u>\$ 415,455</u>	<u>\$ 99,785,506</u>	<u>\$ (33,307,184)</u>	<u>\$ 67,276,434</u>

The accompanying management summary is an integral part of these financial statements.

2022 Appendix E

Statements of Cash Flows Years Ended December 31, 2022, 2021, and 2020 Increase (Decrease) in Cash and Cash Equivalents

	2022	December 31, 2021	2020
<i>Cash flows from operating activities:</i>			
Net income	\$ 9,380,944	\$ 9,377,721	\$ 9,634,583
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	641,266	637,683	657,406
Provisions for possible loan losses	250,000	100,000	975,000
Net loss (gain) on sale of investments	1,930	(20,205)	(73,340)
Change in deferred tax assets and liabilities	(15,861)	(88,424)	(221,917)
Accretion of investment discounts	(403,791)	(214,962)	(206,842)
Amortization of investment premium	3,732,214	3,591,055	2,281,675
Stock dividends - Federal Home Loan Bank	(3,182)	(196)	(3,320)
Gain on sale of foreclosed assets	-	-	(11,456)
(Gain) loss on disposal of assets	(4,134)	(6,306)	13,744
(Increase) decrease in accrued interest receivable and other assets	(931,806)	120,725	(650,584)
(Decrease) increase in accrued expenses and other liabilities	(75,939)	(135,848)	81,835
Total adjustments	3,190,697	3,983,522	2,842,201
Net cash provided by operating activities	\$ 12,571,641	\$ 13,361,243	\$ 12,476,784
<i>Cash flows from investing activities:</i>			
Purchases of securities - available for sale	(179,126,363)	(233,840,683)	(98,851,156)
Proceeds from sales, maturities, or calls and principal payments - available for sale	90,821,355	106,852,746	35,437,370
Purchases of securities - held to maturity	(1,507,200)	(56,100)	-
Proceeds from principal payments - securities held to maturity	183,572	528,725	508,812
Net (increase) decrease in loans to customers	(51,078,958)	46,839,517	(53,838,225)
Recoveries on loans	-	-	108,670
Federal funds sold	18,000,000	(18,000,000)	-
Proceeds from sales of premise and equipment	124,000	54,792	-
Additions to premises and equipment	(3,036,760)	(221,162)	(292,552)
Proceeds from sales of foreclosed assets	-	-	-
Net cash used by investing activities	\$ (125,620,354)	\$ (97,842,165)	\$ (116,927,081)

2022 Appendix E

Statements of Cash Flows Years Ended December 31, 2022, 2021, and 2020 Increase (Decrease) in Cash and Cash Equivalents (Continued)

	2022	December 31, 2021	2020
<i>Cash flows from financing activities:</i>			
Net increase in demand and savings account deposits	(6,868,390)	53,796,335	72,105,669
Net increase in time deposit accounts	49,644,873	75,576,210	68,229,253
Federal funds purchased	-	-	-
Cash dividends paid on common stock	(1,970,684)	(1,913,285)	(1,855,888)
Net cash provided by financing activities	\$ 40,805,799	\$ 127,459,260	\$ 138,479,034
Net increase (decrease) in cash and cash equivalents	(72,242,914)	42,978,338	34,028,737
Cash and cash equivalents beginning of year	<u>113,546,673</u>	<u>70,568,335</u>	<u>36,539,598</u>
Cash and cash equivalents end of year	<u>\$ 41,303,759</u>	<u>\$ 113,546,673</u>	<u>\$ 70,568,335</u>

2022 Appendix F

Reconciliations of Reserve for Possible Loan Losses

	2022	December 31, 2021	2020
Balance at beginning of year	\$ 6,005,923	\$ 5,910,221	\$ 4,931,213
Recoveries credited to reserve	20,140	17,597	24,218
Provision for possible loan losses	250,000	100,000	975,000
TOTAL	\$ 6,276,063	\$ 6,027,818	\$ 5,930,431
Losses charged to Reserve	<u>(24,861)</u>	<u>(21,895)</u>	<u>(20,210)</u>
Balance at the end of year	<u>\$ 6,251,202</u>	<u>\$ 6,005,923</u>	<u>\$ 5,910,221</u>

2022 Appendix G

Notes to Financial Statements Valuation of Securities

	DECEMBER 31, 2022		DECEMBER 31, 2021	
	Book Value	Market Value	Book Value	Market Value
Mortgage-Backed Securities	\$273,715,843	\$ 214,008,854	\$ 214,962,854	\$ 214,008,854
Obligations of other U.S. Government Agencies and Corporations	1,900,897	2,989,600	2,968,600	2,989,600
Obligations of State and Political Subdivisions	143,003,460	118,573,091	115,714,091	118,573,091
Other Investments (Restricted)				
Senior Housing Crime Prevention Foundation	1,477,410	1,477,410	1,660,982	1,660,982
Lift Fund, Inc.	250,000	250,000	250,000	250,000
Federal Home Loan Bank Stock	1,822,600	1,822,600	312,218	312,218
Federal Reserve Bank Stock	23,950	23,950	23,950	23,950
TOTAL	\$422,194,160	\$ 339,145,505	\$ 335,892,695	\$ 337,818,695

Deposits and Profit 2022 and 2021

TOTAL DEPOSITS	\$858,488,040	\$ 815,711,559
TOTAL PROFIT	\$ 9,380,944	\$ 9,377,721

2022 Appendix H

Selected Financial Data Summary of Operations

The Bank's operations for the past five fiscal years are summarized as follows:

	DECEMBER 31				
	2022	2021	2020	2019	2018
Net Interest Income	26,485,286	25,103,603	\$ 25,617,611	\$ 23,540,780	\$ 23,721,296
Other Operating Income	2,202,850	2,205,687	2,056,249	2,291,072	2,242,263
Total Operating Income - Net	\$ 28,688,136	\$ 27,309,290	\$ 27,673,860	\$ 25,831,852	\$ 25,963,559
Provisions for possible loan losses	250,000	100,000	975,000	776,178	907,000
Operating Expenses-including interest	17,223,360	15,858,250	14,938,316	14,466,931	14,433,009
Income before income taxes and securities gain (loss)	11,214,776	11,351,040	11,760,544	10,588,743	10,623,550
Applicable income taxes	1,831,884	1,993,523	2,199,301	1,986,767	1,992,738
Income before securities gains	9,382,892	9,357,517	9,561,243	8,601,976	8,630,812
Net Securities gain (loss)	(1,948)	20,204	73,340	69,165	16,634
Net Income	\$ 9,380,944	\$ 9,377,721	\$ 9,634,583	\$ 8,671,141	\$ 8,647,446
Net Income per share	\$ 24.52	\$ 24.51	\$ 25.18	\$ 22.66	\$ 22.60
Cash dividends per share	\$ 5.15	\$ 5.00	\$ 4.85	\$ 4.30	\$ 4.00

