

# CELEBRATING 75 YEARS OF STRENGTHENING EVERY COMMUNITY WE SERVE.

2021 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)	2021	2020	2019	2018	2017
<b>RESULTS OF OPERATIONS:</b>					
Net income	\$ 25,557	\$ 16,462	\$ 24,417	\$ 20,895	\$ 14,707
Net income per share	0.73	0.47	0.70	0.60	0.42
Book value per share at quarter end	10.19	9.28	8.77	7.92	7.26
<b>AT SEPTEMBER 30:</b>					
Assets	\$ 3,670,753	\$ 3,121,608	\$ 2,702,142	\$ 2,543,960	\$ 2,350,422
Earning assets	3,578,928	3,023,573	2,590,070	2,447,282	2,248,303
Loans, net	2,137,563	2,344,650	2,063,825	2,013,297	1,921,904
Deposits	3,009,738	2,529,449	2,153,725	2,068,166	1,928,626
Shareholders' equity	354,577	322,702	305,216	275,556	252,681
<b>PERFORMANCE RATIOS:</b>					
Return on average assets	0.99%	0.74%	1.25%	1.12%	0.85%
Return on average shareholders' equity	10.01%	6.98%	11.19%	10.52%	8.01%
Average tangible equity					
to average tangible assets	9.48%	10.15%	10.74%	10.17%	10.06%
Net charge-offs to average loans	0.07%	0.05%	0.16%	0.08%	0.06%
Allowance for loan losses as a					
percentage of quarter end loans	1.13%	0.99%	0.94%	1.02%	1.12%
Net interest margin (tax equivalent)	3.16%	3.53%	4.05%	3.99%	3.95%

## CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	September 30 2021	September 30 2020
<b>ASSETS</b>		
Cash and due from financial institutions	\$ 36,365	\$ 42,046
Interest bearing deposits with other financial institutions	1,014,700	385,200
Total cash and cash equivalents	<u>1,051,065</u>	<u>427,246</u>
Debt securities	395,481	263,426
Loans, net of unearned income	2,161,996	2,368,196
Allowance for loan losses	(24,433)	(23,546)
Loans, net	<u>2,137,563</u>	<u>2,344,650</u>
Premises and equipment, net	27,206	26,482
Federal Home Loan Bank stock	6,751	6,751
Intangible assets	14,313	14,313
Prepaid expenses and other assets	38,374	38,740
<b>Total assets</b>	<b>\$ 3,670,753</b>	<b>\$ 3,121,608</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits:		
Non-interest bearing	\$ 1,316,887	\$ 999,991
Interest bearing	1,692,851	1,529,458
Total deposits	<u>3,009,738</u>	<u>2,529,449</u>
Repurchase agreements	217,313	191,464
Federal funds purchased	500	500
Federal Home Loan Bank advances	25,297	30,313
Subordinated debentures	15,000	15,000
Other liabilities	48,328	32,180
Total liabilities	<u>3,316,176</u>	<u>2,798,906</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	345,660	323,141
Unearned Employee Stock Ownership Shares	-	(2,806)
Accumulated other comprehensive loss	(1,452)	(8,002)
Total shareholders' equity	<u>354,577</u>	<u>322,702</u>
Total liabilities and shareholders' equity	<b>\$ 3,670,753</b>	<b>\$ 3,121,608</b>

## CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except share data)

For the nine months ended  
September 30  
2021

September 30  
2020

### INTEREST INCOME

Loans, including fees	\$ 79,048	\$ 76,418
Debt securities	2,104	3,691
Deposits with other financial institutions	635	1,192
	<u>81,787</u>	<u>81,301</u>

### INTEREST EXPENSE

Interest on deposits	2,377	4,657
Interest on borrowed funds	765	1,141
	<u>3,142</u>	<u>5,798</u>
Net interest income	78,645	75,503
Provision for loan losses	727	5,667
Net interest income after provision for loan losses	<u>77,918</u>	<u>69,836</u>

### NON-INTEREST INCOME

Service charges on deposit accounts	4,157	4,380
Service charges on loans	10,978	9,028
Wealth management income	13,549	11,470
Other income	6,493	5,527
	<u>35,177</u>	<u>30,405</u>

### NON-INTEREST EXPENSE

Salaries	33,663	33,188
Benefits	7,961	9,252
Occupancy and equipment	14,418	16,102
Other non-interest expenses	26,343	23,048
	<u>82,385</u>	<u>81,590</u>
Income before income taxes	30,710	18,651
Income taxes	5,153	2,189
<b>Net income</b>	<u>\$ 25,557</u>	<u>\$ 16,462</u>

### Basic earnings per share

\$ 0.73	\$ 0.47
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# BOARDS OF DIRECTORS



A handwritten signature in black ink, appearing to read 'Luther Deaton, Jr.', written in a cursive style.

Luther Deaton, Jr.  
Chairman, President & CEO

## 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.

**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

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

**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

**William Brewer**  
Dink, Inc.

**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

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

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

**Bill Justice**  
President, Justice Real Estate

**Louis Mulloy**  
LTM Associates, LLC

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

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

**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**  
Retired President, Keeneland Association

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

**Lawrence Weathers**  
Chief of Police, Lexington

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

### Central Bank, Louisville Advisory Board of Directors

**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

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

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

# BOARDS OF DIRECTORS

**Jude Thompson**  
CEO, Delta Dental

**Mark Wheeler**  
Market President

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

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

**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

**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.

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

**Central Bank, Nicholasville  
Advisory Board of Directors**

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

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

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

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

**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**

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Managing Member  
Reading Investments, LLC

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CEO, Towne Properties

**Tonya Burns-Gerakos**  
Tonya Burns Law

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Senior Vice President & COO, St.  
Elizabeth Healthcare, Florence

**Wayne Carlisle**  
President & CEO  
Carlisle Enterprises

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

**David Heidrich**  
CEO, Zalla Companies

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

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

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

**David M. Spaulding**  
Vice President & General  
Manager, Turner Construction  
Company

**James Uebel**  
Market President

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

**John Yeager**  
Owner, Ashley Development

**Central Bank, Winchester  
Advisory Board of Directors**

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

**Jeff Fultz**  
Market President

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

**Glenn D. Leveridge**  
Chairman, Central Bank  
Winchester

**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 &  
1Agribusiness

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

# OFFICERS

## Central Bancshares, Inc.

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

Jennifer R. Stivers  
Executive Vice President

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

Donna J. Craven, CRCM  
Vice President

Danny C. Noland  
Vice President

### 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

### 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

Brian W. West  
Vice President

Lisa Hart  
Assistant Vice President

Vina Risner  
Assistant Vice President

Bradley Sutherland  
Assistant Vice President

Melissa McCay  
Secondary Mortgage  
Underwriter Officer

Chris McGaughey  
CRA 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

Benjamin Wilbanks  
Senior Vice President

Steffen Hanser  
Assistant Vice President

Michael Danhauer  
Credit Analyst Officer

### Special Assets

Benjamin Wilbanks  
Senior Vice President

Steve Hall  
Vice President

Becky Mullins  
Assistant Vice President

Mike McFarland  
Special Assets Officer

### Loan Processing

Donna M. Turner  
Vice President

### Small Business

Richard D. Hartley  
Vice President

Terri A. Stein  
Vice President

### HUMAN RESOURCES

Susan L. Simmons  
Executive Vice President

Amy Manning  
Senior Vice President

Shelia Plymale  
Senior Vice President

June Carpenter  
Vice President

### TECHNOLOGY SERVICES

Julie Bondra  
Executive Vice President

Anna Clayton  
Senior Vice President

David Hake  
Senior Vice President

Kevin J. Lippert  
Senior Vice President

E. Sean Proffit  
Vice President

Adrian Embree  
Technology Officer

Kyle Hamilton  
Technology Officer

### RETAIL & PRIVATE BANKING

Gregory M. Shewmaker  
Executive 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

Philip Rochester  
Assistant Vice President

Alexandra T. Wolf  
Assistant Vice President

Sharon Bradley  
Retail Banking Officer



# OFFICERS

Sheila Carmack  
*Retail Banking Officer*

Rachel Jones  
*Retail Banking Officer*

Laura M. Owens  
*Retail Banking Officer*

## Client Services

Cathy K. Combs  
*Senior Vice President*

Diane Gentry  
*Client Services Officer*

## Marketing

Lesley Catron, CFMP  
*Senior Vice President*

Christine Whalen, CFMP  
*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  
*Private Banking Officer*

## 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

### Operations

Laura Schweitzer  
*Executive Vice President*

Robin Michul  
*Senior Vice President*

## Facilities

Harvey Sword  
*Senior Vice President*

## Image Processing

Karen G. Crawley  
*Senior Vice President*

Ryan Leigh Chapman  
*Assistant Vice President*

David Bridges  
*Image Processing Officer*

## Loan Services

Timothy R. Austin  
*Vice President*

Shawn Presnell  
*Vice President*

## Deposit Services

Lisa Durham  
*Vice President*

## Financial Intelligence & Security Unit

Shane Ensminger  
*Vice President*

Angela D. Campbell  
*Assistant Vice President*

Alan Stewart  
*Security Officer*

Betsy Williams  
*Security Officer*

## Retail Operations

Michael Gartner  
*Senior Vice President*

Joshua Bly  
*Retail Operations Officer*

## Digital Banking

Brenda P. Oaks  
*Vice President*

## Card Services

Beverly Smalley  
*Assistant Vice President*

Chris Eder  
*Card Services Officer*

Ken Kirk  
*Card Services Officer*

## WEALTH MANAGEMENT

### Trust

Barry Hickey  
*Executive Vice President*

## Business Development

Charles N. Rush, Jr.  
*Vice President*

## Employee Benefits

Sheila C. Parks  
*Vice President*

Brett T. Trusty  
*Vice President*

## Operations

Leigh Ann Young  
*Assistant Vice President*

Carol Robinson  
*Trust Operations Supervisor*

## Personal Trust

Kathryn Wilson Gibson  
*Senior Vice President*

Elizabeth Johns  
*Vice President*

Matthew Frank, CFP®  
*Assistant Vice President*

Anna Hovekamp  
*Assistant Vice President*

Lauren Lovely  
*Assistant Vice President*

Ballard "Cash" Cassady  
*Personal Trust Officer*

## Investment Management

Timothy D. Fyffe  
*Senior Vice President*

Chris Andress, CFA®  
*Vice President*

Thomas Corr  
*Vice President*

Patrick Rassi  
*Senior Trust Investment Officer*

Chris Taylor  
*Trust Officer*

## CENTRAL INSURANCE SERVICES

Ross Barnette  
*President*

Tom Francis  
*Vice President*

Rob Wessel  
*Vice President*

Justin Whipple  
*Vice President*

Steven P. Wright  
*Vice President*

Don Yaden  
*Vice President*

Chris Harrison  
*Assistant Vice President*

Andrew Alexander  
*Commercial Insurance Officer*

Joanna Gwinn-Estill  
*Insurance Officer*

## CENTRAL INVESTMENT CENTER, INC.

Jeff Ginnan  
*Executive Vice President & Senior Financial Advisor*

Tony Brown  
*Vice President & Financial Advisor*

# OFFICERS

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

### Mortgage Lending

Ashley Weir  
Vice President

## CENTRAL BANK, LOUISVILLE

Mark Wheeler  
Market President

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

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

### 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

### 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

Brandy Osborne  
Assistant Vice President

Adam Rodgers  
Commercial Lending Officer

### 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

Karen J. Homan  
Vice President

Amy Roberts  
Vice President

JB Schmidt  
Assistant Vice President

Mandy Barker  
Commercial Lending Officer

### Mortgage Lending

Dennis Barnes  
Vice President

Dottie Dawson  
Mortgage Lending Officer

### Retail Banking

Steven Gillespie  
Vice President

Adam Metzger  
Vice President

Mark Minton  
Vice President

Diana Webster  
Vice President

### Private Banking

Matthew E. Eilers  
Senior Vice President

Larry Luebbbers  
Vice President

Jacob Powers  
Vice President

### Wealth Management

Jeff Augsback  
Trust Officer

## CENTRAL BANK, WINCHESTER

Jeff Fultz  
Market President

Tim M. Duncan  
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

Lee Coleman  
Vice President

Paula (Beebe) Dickens  
Vice President

# OFFICERS

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Lisa T. Earlywine  
*Vice President*



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



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