



2021 Annual Report

To Our Shareholders

2021 was a rewarding year as we watched our employees and customers rebound from the COVID pandemic. We were able to see how daily decisions had such a positive impact on our employees, customers and shareholders. Our mission statement is a constant reminder that we want to “be the best Community Niche Bank in the state of Oklahoma while building the highest quality brand in our local community.”

For us, those niches are both tangible and intangible from providing personal relationships, product and services that fit our customers and the technology to take us into the future. One of our primary goals remains providing our customers a connection to better banking...anytime, anywhere. During the past year we introduced Video Banking to the market, rolled out a new website and are creating a new chat feature for our customers to communicate with us.

You will remember that on December 18, 2020, one of our long-time board members, Jay W. Morton, passed away. In September 2021, Rick Goranson, CPA was elected to the Quail Creek Bank board of directors to fill that vacancy. As managing partner of CPAOKC PLLC, Rick has over 42 years of experience in tax accounting for both the public and private sectors. We are excited to have Rick join our board and look forward to his valuable contributions and financial insights.

One thing is certain, time marches on, along with many changes. When you look at pages 10 and 11, you will see a pictorial of our employees. What struck me is that after 13 years I am now the 37th tenured employee with Quail Creek Bank and more importantly I am now responsible for the hiring of almost 60% of our staff. Our employees create the culture of who we are. They make the difference between being just a place to work or an exciting place to come every day and that our customers want to be a part.

Additionally, we continue to implement many of our transition plans as we have several employees retiring in the next few years. As part of the plan, we have added two new loan officers these past few months. We are happy to introduce Stephen Carns (2021), and Cole Martin (2022) to you. Stephen brings an expertise with oil & gas lending to support this vital industry of our state while Cole will help us expand our services to the medical community.

Through it all, Quail Creek Bank continues as one of the “Top Performing Banks” in the nation. For the most recent year available, we were ranked 330 out of 2,995 banks in the US with assets between \$100 million and \$1 billion based on the last 3-year average return on equity (ROE). Our 3-year average pre-tax ROE was 16.19%. For the year ending 2021, net loans totaled \$498 million, assets reached \$842 million and pre-tax earnings for the year were \$12.3 million.

Finally, this year I would like to end my letter with a special thanks to my executive management team (see picture). With their unceasing support and leadership we continue to meet our goals.

Doug Fuller
President
Chief Executive Officer



John A. Workun
Executive Vice President
Chief Lending Officer

James Griffith
Senior Vice President
Chief Financial Officer

Erin D. Batey
Senior Vice President
Chief Communication and Innovation Officer

Doug Fuller
President
Chief Executive Officer

Carol Fehrle
Executive Vice President
Chief Operating Officer



BACK ROW

Rick Goranson
MANAGING PARTNER, CPAOKC PLLC

Jay Wilkinson
PRESIDENT / OWNER, JAY WILKINSON, LLC

James L. Seikel
INVESTMENTS

Steven R. Thompson
INVESTMENTS

Robert N. Cooke, M.D.
RETIRED SURGEON & PHYSICIAN

Carol Fehrle
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER

John A. Workun
EXECUTIVE VICE PRESIDENT
CHIEF LENDING OFFICER

FRONT ROW

Bert Olah, Jr
VICE CHAIRMAN OF THE BOARD

Mark Davenport
CHAIRMAN OF THE BOARD

Doug Fuller
PRESIDENT
CHIEF EXECUTIVE OFFICER



NOTICE OF ANNUAL MEETING

.....
The annual meeting of Quail Creek Bancshares, Inc., stockholders will be held at 9AM, Thursday, March 24th.
.....

J. David Davenport
Board Room

Quail Creek Bank
2nd Floor

12201 N. May Ave.
Oklahoma City, OK 73120

Consolidated Balance Sheet

(EXPRESSED IN THOUSANDS)

December 31st

2021

ASSETS

CASH AND DUE FROM BANKS	\$	3,900
INTEREST-BEARING DEPOSITS WITH BANKS	\$	200,460
SECURITIES AVAILABLE FOR SALE	\$	131,320
LOANS, NET OF ALLOWANCE FOR POSSIBLE LOAN LOSSES	\$	497,705
PREMISES & EQUIPMENT, NET	\$	4,848
OTHER REAL ESTATE OWNED, NET	\$	-
DEFERRED TAXES	\$	335
INTEREST RECEIVABLE AND OTHER ASSETS	\$	3,706
TOTAL ASSETS	\$	842,274

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

NON-INTEREST BEARING DEPOSITS	\$	225,242
INTEREST BEARING DEPOSITS	\$	537,710
TOTAL DEPOSITS	\$	762,952
 BORROWINGS		-
INCOME TAX PAYABLE	\$	-
INTEREST PAYABLE AND OTHER LIABILITIES	\$	2,256
TOTAL LIABILITIES	\$	765,208

STOCKHOLDERS' EQUITY

COMMON STOCK	\$	98
ADDITIONAL PAID IN CAPITAL	\$	2,249
RETAINED EARNINGS	\$	70,938
ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME	\$	4,176
TREASURY STOCK (AT COST)	\$	(395)
TOTAL STOCKHOLDERS' EQUITY	\$	77,066
 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	842,274

2020	2019	2018	2017
5,381	7,867	6,108	6,987
113,566	70,591	94,615	13,249
136,559	97,046	76,178	94,022
501,313	506,767	503,016	508,377
4,902	5,177	5,251	5,667
-	-	-	101
288	288	-	-
4,736	3,845	3,257	3,744
766,745	691,581	688,425	632,147
185,107	141,742	78,913	72,919
502,247	478,358	541,069	474,826
687,354	620,100	619,982	547,745
-	-	-	15,902
-	500	-	-
2,835	3,061	2,368	1,904
690,189	623,661	622,350	565,551
98	98	98	98
2,111	2,041	1,911	1,911
70,328	65,162	65,010	64,451
4,450	1,072	(451)	629
(431)	(453)	(493)	(493)
76,556	67,920	66,075	66,596
766,745	691,581	688,425	632,147

Consolidated Statement of Income

(EXPRESSED IN THOUSANDS)

For the twelve months ending December 31st

2021

INTEREST INCOME

LOANS	\$	24,570
SECURITIES, INCLUDES RECLASSIFICATION FOR REALIZED NET GAIN/LOSS ON SECURITIES AVAILABLE FOR SALE	\$	2,419
OTHER	\$	254
TOTAL INTEREST INCOME	\$	27,243

INTEREST EXPENSE

DEPOSITS	\$	1,773
BORROWINGS	\$	-
TOTAL INTEREST EXPENSE	\$	1,773

NET INTEREST INCOME	\$	25,470
PROVISION FOR POSSIBLE LOAN LOSSES	\$	550
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN LOSSES	\$	24,920

NON INTEREST INCOME

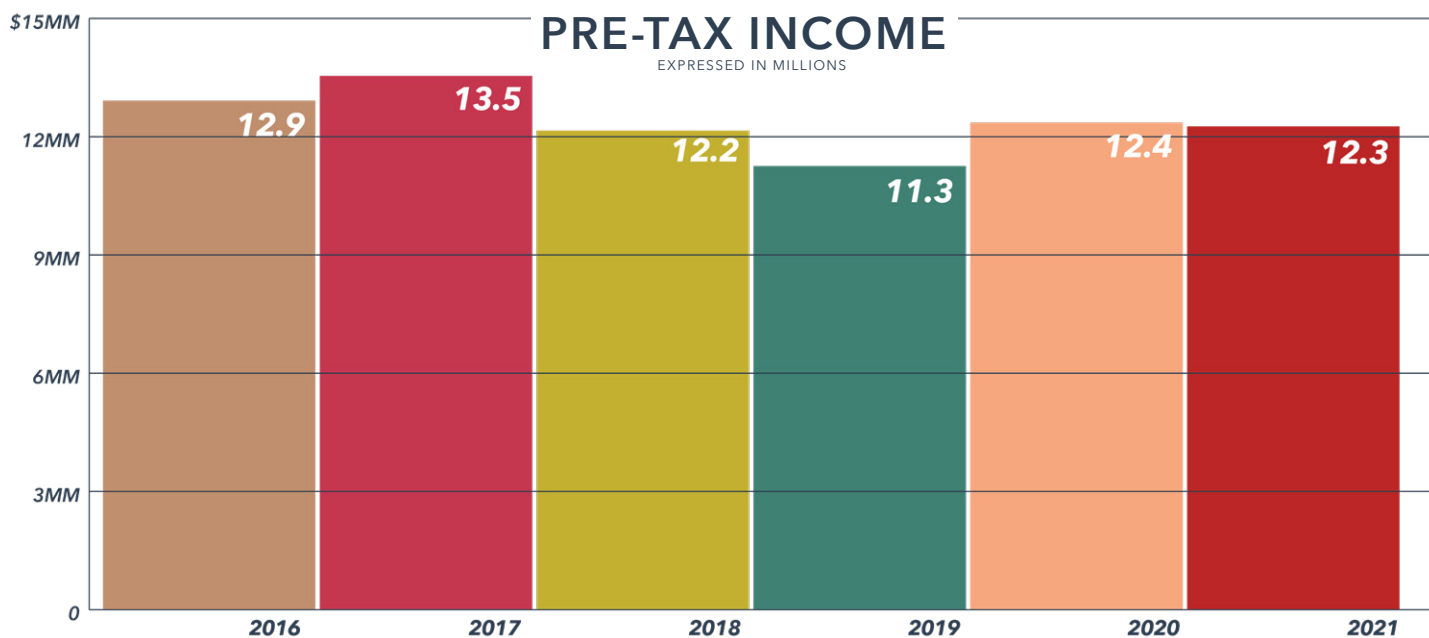
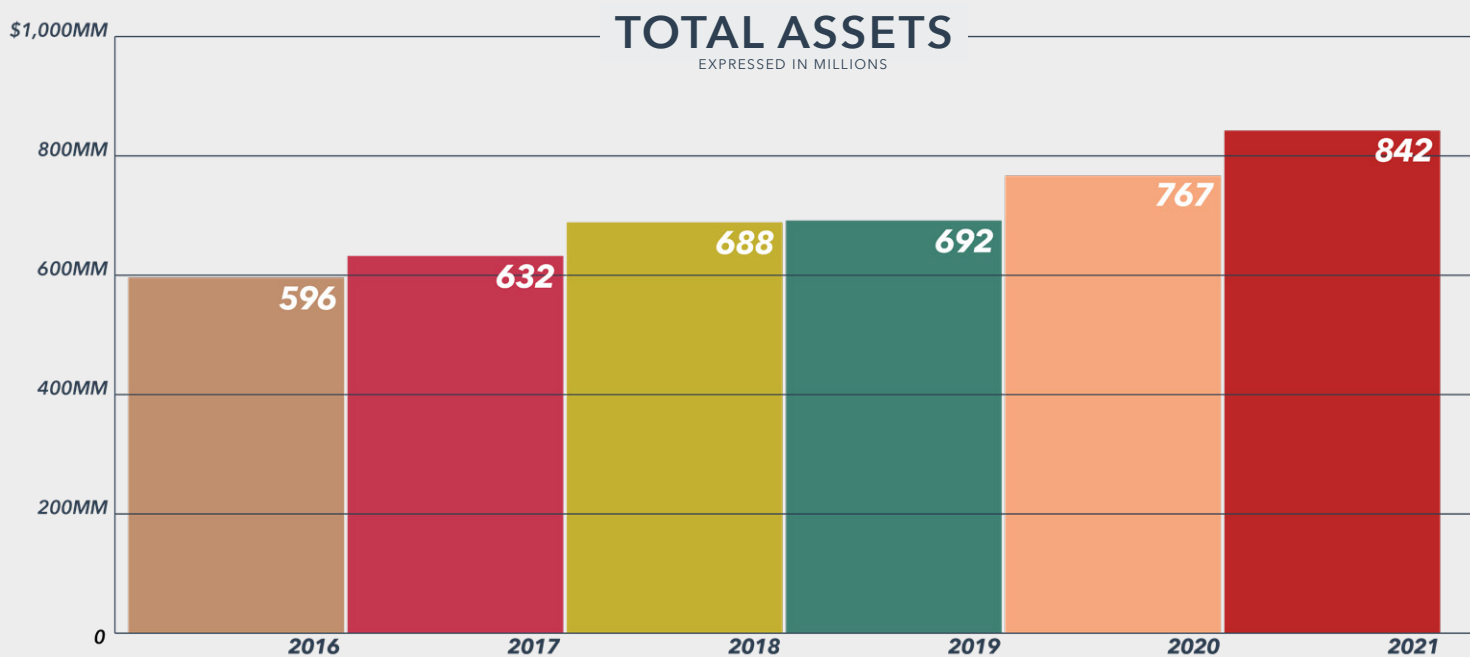
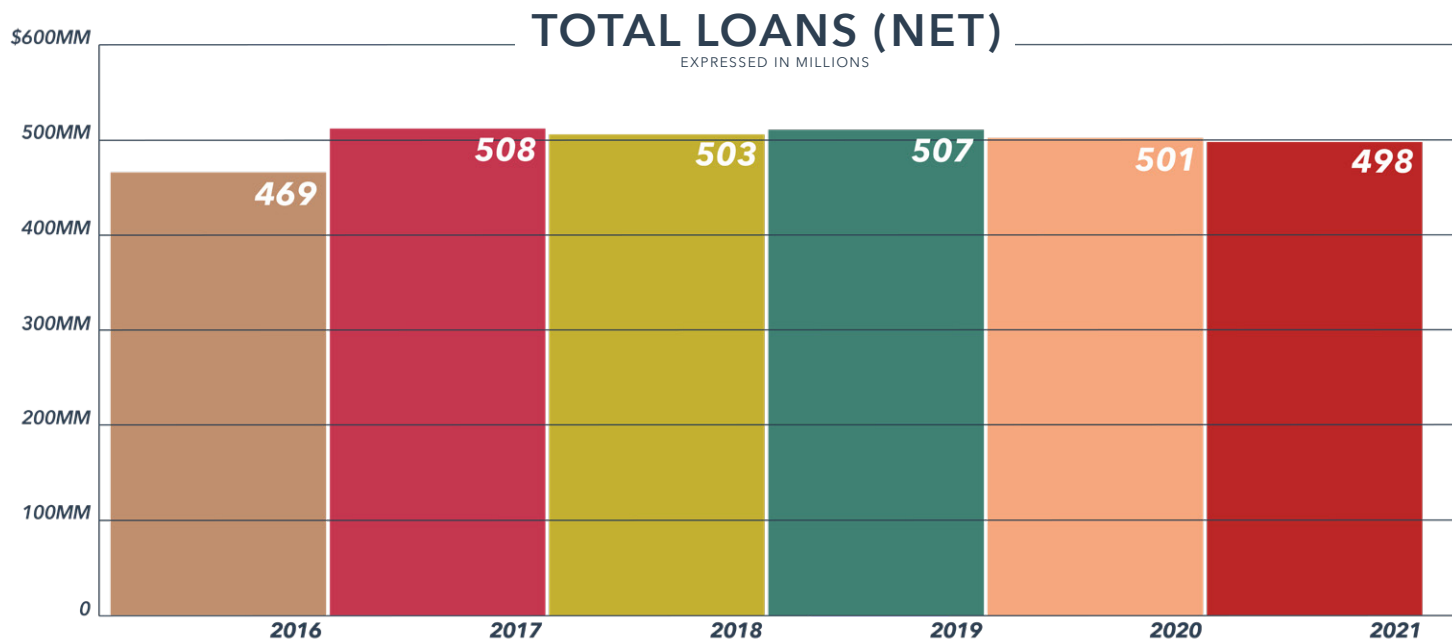
SERVICE CHARGES ON DEPOSIT ACCOUNTS	\$	635
OTHER SERVICE CHARGES AND FEES	\$	1,682
OTHER REAL ESTATE OWNED	\$	1
TOTAL NON INTEREST INCOME	\$	2,318

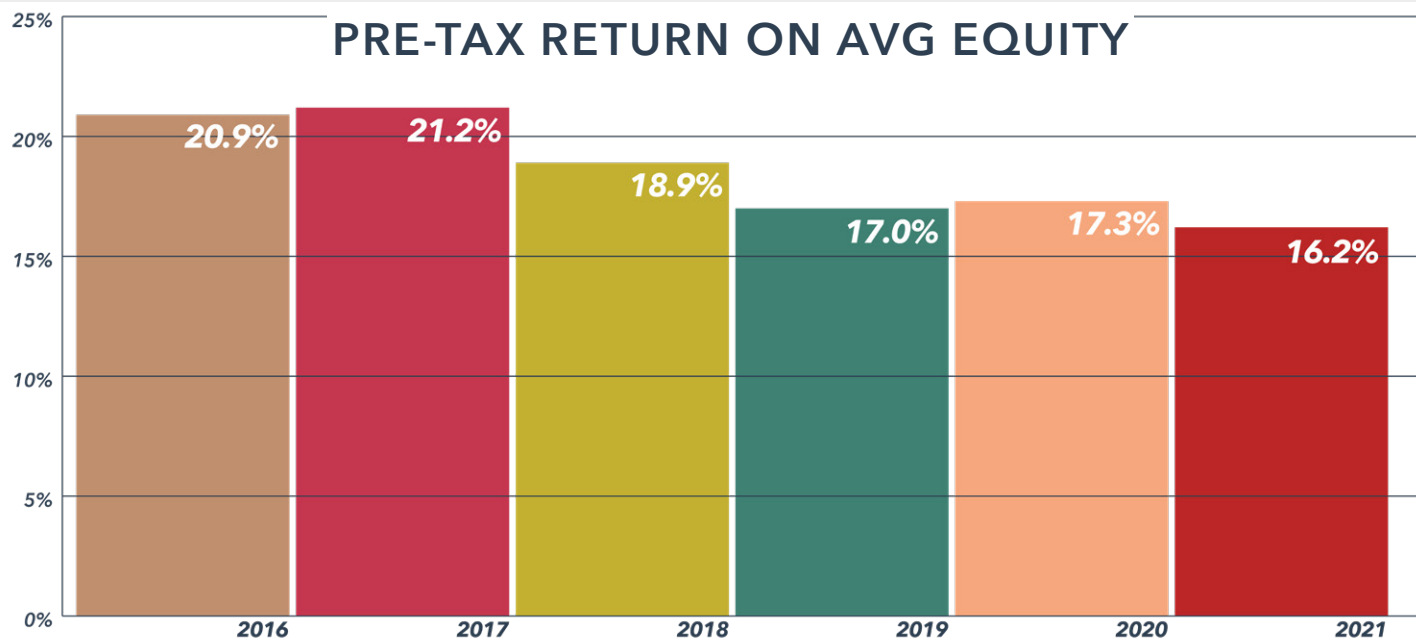
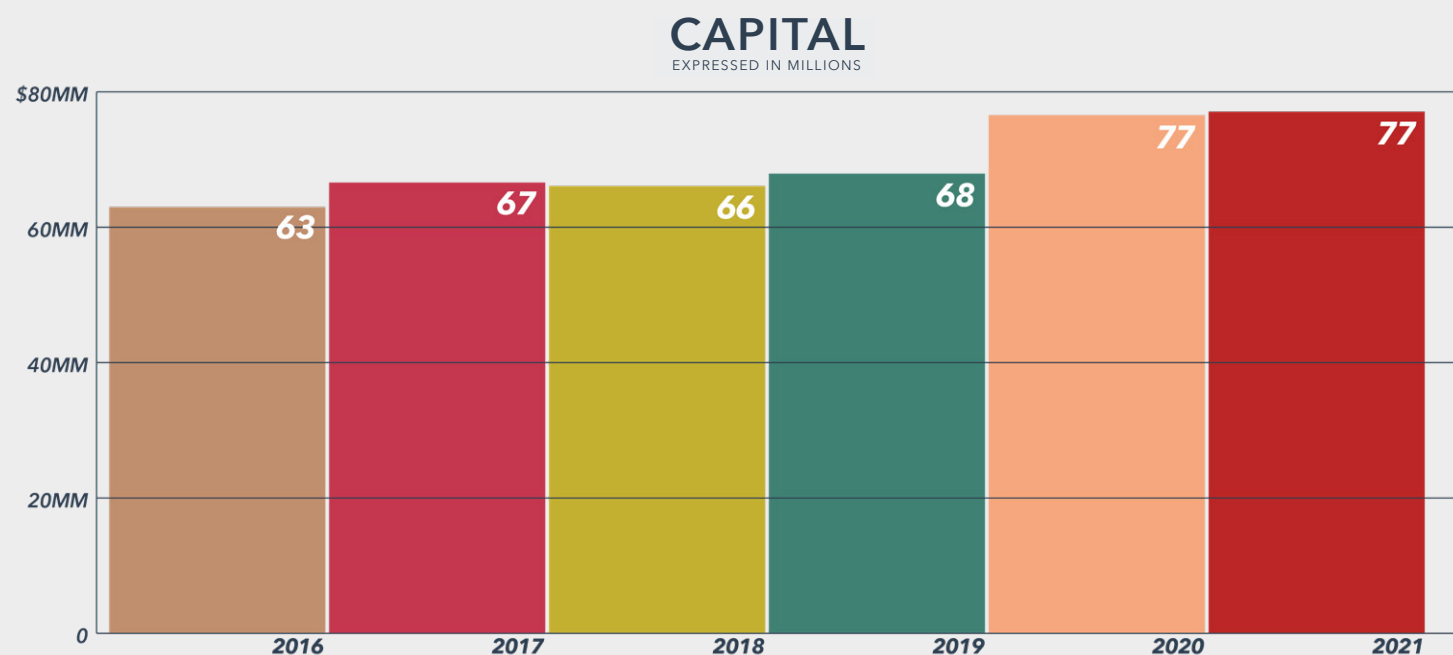
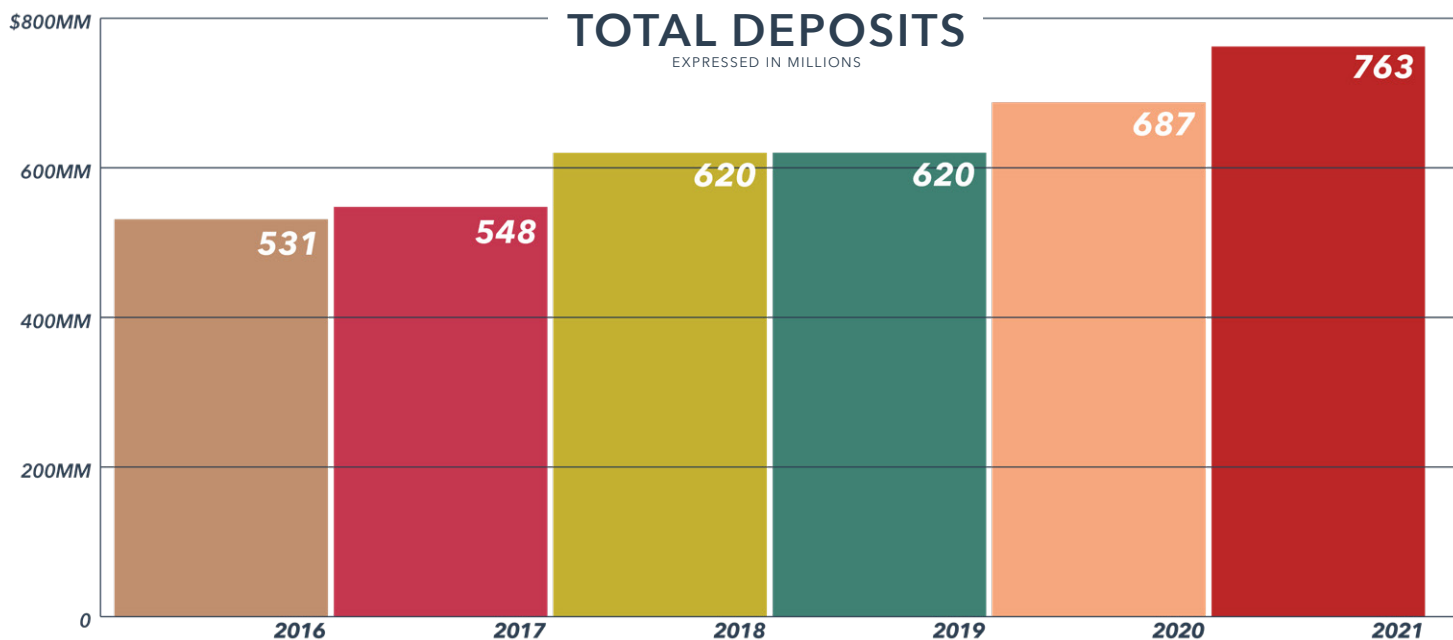
NON INTEREST EXPENSE

SALARIES AND EMPLOYEE BENEFITS	\$	9,562
OCCUPANCY	\$	457
FURNITURE AND EQUIPMENT	\$	244
OTHER REAL ESTATE OWNED	\$	-
INFORMATION TECHNOLOGY	\$	924
OTHER EXPENSES	\$	3,790
TOTAL NON INTEREST EXPENSE	\$	14,977

PRE-TAX NET INCOME	\$	12,261
INCOME TAX EXPENSE	\$	642
NET INCOME	\$	11,619

2020	2019	2018	2017
26,762	27,612	26,349	25,412
2,548	2,174	2,007	2,043
<u>352</u>	<u>1,883</u>	<u>906</u>	<u>177</u>
29,662	31,669	29,262	27,632
4,152	6,190	3,825	1,839
<u>-</u>	<u>-</u>	<u>105</u>	<u>141</u>
4,152	6,190	3,930	1,980
25,510	25,479	25,331	25,652
<u>1,275</u>	<u>900</u>	<u>850</u>	<u>600</u>
24,235	24,579	24,481	25,052
605	631	699	693
1,300	1,310	1,094	1,215
<u>60</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,965	1,941	1,793	1,908
9,234	8,974	8,934	8,304
434	397	417	419
263	341	500	639
-	1,332	35	71
730	735	675	638
<u>3,183</u>	<u>3,486</u>	<u>3,559</u>	<u>3,346</u>
13,844	15,265	14,120	13,417
12,356	11,255	12,154	13,543
479	211	-	-
<u>11,877</u>	<u>11,044</u>	<u>12,154</u>	<u>13,543</u>







PHYLLIS 1980



SUE 1982



SHARON 1986



CAROL 1991



STEVE 1993



JOHN 1993



FAY 1995



JAMES 1995



LACEY 1999



KELLY 1999



JULIE 2000



SHELLI 2000



HANK 2001



CAROLE 2001



MIKE 2002



KATHY 2002



VIVIAN 2006



DEREK 2007



RICHELLE 2007



LAUREN 2008



DOUG 2009



ERIN 2009



PHIL 2010



KENTON 2010



KATHY 2012



DARRIS 2012



SUMMER 2013



K.T. 2013



ADAM 2013



BRYAN 2013



DIANNA 2014



DONNELL 2015



RYAN 2018



LORRI 2018



BRANDON 2018



MEGAN 2018



TIM 2019



PAM 2019



ASHLEE 2019



LINDSAY 2019



TRACY 2021



KALI 2021



DEBBIE 2021



COLE 2021



MIKE 2021



STEPHEN 2021





JEANNIE 1995

RANDY 1995

BRYAN 1996

TERRI 1997

ALAN 1997

LAURA 1997

JEFF 1997

JOHN 1998



L.D. 2003

LAUREL 2003

JENNIFER 2003

KAYE 2003

MARK 2004

STEPHANIE 2005

ELISABETH 2006

CORI 2006



JERIKA 2011

NOK 2011

ALICE 2011

TYLER 2011

DIANE 2011

MIKE 2011

LAURYN 2011

LAURA 2012



CHRIS 2015

SUSAN 2016

REGAN 2017

CHRIS 2017

FRANKLIN 2017

JOBI 2017

BLAKE 2018

CARLEE 2018



BRITTNEY 2019

JENNIFER 2020

CASADY 2020

ERIN 2020

KENJI 2020

LANDON 2020

TREVOR 2021

ALLIE 2021

OUR 2021 TEAM



OFFICERS

EXECUTIVE TEAM

DOUG FULLER
PRESIDENT
CHIEF EXECUTIVE OFFICER

JOHN A. WORKUN
EXECUTIVE VICE PRESIDENT
CHIEF LENDING OFFICER

CAROL FEHRLE
EXECUTIVE VICE PRESIDENT
CHIEF OPERATING OFFICER

JAMES GRIFFITH
SENIOR VICE PRESIDENT
CHIEF FINANCIAL OFFICER

ERIN D. BATEY
SENIOR VICE PRESIDENT
CHIEF COMMUNICATION AND INNOVATION OFFICER

SENIOR VICE PRESIDENT

STEVE BOYD
SENIOR VICE PRESIDENT

STEPHEN CARNS
SENIOR VICE PRESIDENT

RANDY CORP
SENIOR VICE PRESIDENT

SUMMER HOFFMAN
SENIOR VICE PRESIDENT

JEFFREY MASSAD
SENIOR VICE PRESIDENT

KENTON OWENS
SENIOR VICE PRESIDENT

MICHAEL D. SPANN
SENIOR VICE PRESIDENT

MICHAEL THAGARD
SENIOR VICE PRESIDENT

PHIL THOMPSON
SENIOR VICE PRESIDENT

ALAN WEBB
SENIOR VICE PRESIDENT

VICE PRESIDENT

LACEY L. BIFFLE
VICE PRESIDENT

DEREK BRIGGS
VICE PRESIDENT

JERIKA COFFMAN
VICE PRESIDENT

L.D. FERGUSON
VICE PRESIDENT

PHYLLIS FORD
VICE PRESIDENT

JULIE JOHNS
VICE PRESIDENT

CAROLE JOHNSON
VICE PRESIDENT

STEPHANIE MILLS
VICE PRESIDENT

LAURA NUNNERY
VICE PRESIDENT

BRYAN PETTY
VICE PRESIDENT

DIANNA PRITCHETT
VICE PRESIDENT

BRYAN SCOTT
VICE PRESIDENT

ASSISTANT VICE PRESIDENT

ELISABETH ACOSTA
ASSISTANT VICE PRESIDENT

JOHN CRABTREE
ASSISTANT VICE PRESIDENT

REGAN ROBINETT
ASSISTANT VICE PRESIDENT

TYLER STROUD
ASSISTANT VICE PRESIDENT

OFFICERS

CHRIS DANESHMAND
COMPLIANCE OFFICER

PAM DURAN
OPERATIONS OFFICER

ADAM HOWELL
CREDIT OFFICER



Quail Creek Bank