

2022

ANNUAL REPORT



Quail Creek Bank

To Our Shareholders

2022 was a record year! After navigating the COVID pandemic, record inflation, rapidly rising rates and a potential recession, our total loans ended the year at \$510 million net of allowance for loan losses and our pre-tax income grew to \$14.1 million, both were record levels for the bank.

Reflecting on our mission statement, it is the goal of Quail Creek Bank to be the highest quality, best regarded independent community bank in northwest Oklahoma City by providing quality financial products and services to our customers. The intangible ingredient in all this is **Customer Service!** So, one of our top priorities is making this year, 2023, the year of the **SECRET**. What is the **SECRET**?

- Smile
- Excellence
- Communication
- Respectful
- Eagerness
- Thankful

Quail Creek Bank exists solely to take care of the financial needs of our customers. During 2022, we celebrated each of our employees with monthly birthday luncheons. During these luncheons we asked the question...What makes Quail Creek Bank a special place for our customers and employees? The following is a list of some of the key words we heard that answer this question. *Employee empowerment, team work, family atmosphere, fun, personal, knowledgeable, responsive, caring, helpful, local, welcoming, people are real, flexible, happy, know the customer, positive attitude, long-term employees, accessible and success for all.*

We take great pride in quality **Customer Service**. By refocusing ourselves on the elements of the **SECRET**, we hope to continue our tradition of exceptional service in everything we do every day.

Adding quality officers to our staff continues to be one of our highest priorities. I am pleased to introduce David Sine as Senior Vice President in our commercial lending area, and Jeff Hayden as Vice President in our Treasury Management department. Both come with extensive banking backgrounds in the local Oklahoma City market.

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 334 out of 2,971 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 18%.

Again, I would like to thank my executive management team (see picture) for their continued support and leadership. Not pictured is Jerika Coffman who was added to our executive team at the end of 2022 as Senior Vice President and Chief Credit Officer.

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 23rd

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LOCATION

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

2022

ASSETS

CASH AND DUE FROM BANKS	\$	6,290
INTEREST-BEARING DEPOSITS WITH BANKS	\$	66,740
SECURITIES AVAILABLE FOR SALE	\$	185,991
LOANS, NET OF ALLOWANCE FOR POSSIBLE LOAN LOSSES	\$	509,782
PREMISES & EQUIPMENT, NET	\$	4,841
OTHER REAL ESTATE OWNED, NET	\$	-
DEFERRED TAXES	\$	335
INTEREST RECEIVABLE AND OTHER ASSETS	\$	4,519
TOTAL ASSETS	\$	778,498

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

NON-INTEREST BEARING DEPOSITS	\$	224,402
INTEREST BEARING DEPOSITS	\$	481,949
TOTAL DEPOSITS	\$	706,351
BORROWINGS		-
INCOME TAX PAYABLE	\$	-
INTEREST PAYABLE AND OTHER LIABILITIES	\$	2,365
TOTAL LIABILITIES	\$	708,716

STOCKHOLDERS' EQUITY

COMMON STOCK	\$	98
ADDITIONAL PAID IN CAPITAL	\$	2,317
RETAINED EARNINGS	\$	72,537
ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME	\$	(4,796)
TREASURY STOCK (AT COST)	\$	(374)
TOTAL STOCKHOLDERS' EQUITY	\$	69,782
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	778,498

2021	2020	2019	2018
3,900	5,381	7,867	6,108
200,460	113,566	70,591	94,615
131,320	136,559	97,046	76,178
497,705	501,313	506,767	503,016
4,848	4,902	5,177	5,251
-	-	-	-
335	288	288	-
3,706	4,736	3,845	3,257
842,274	766,745	691,581	688,425
225,242	185,107	141,742	78,913
537,710	502,247	478,358	541,069
762,952	687,354	620,100	619,982
-	-	-	-
-	-	500	-
2,256	2,835	3,061	2,368
765,208	690,189	623,661	622,350
98	98	98	98
2,249	2,111	2,041	1,911
70,938	70,328	65,162	65,010
4,176	4,450	1,072	(451)
(395)	(431)	(453)	(493)
77,066	76,556	67,920	66,075
842,274	766,745	691,581	688,425

Consolidated Statement of Income

(EXPRESSED IN THOUSANDS)

For the twelve months ending December 31st

2022

INTEREST INCOME

LOANS	\$	25,248
SECURITIES, INCLUDES RECLASSIFICATION FOR REALIZED NET GAIN/LOSS ON SECURITIES AVAILABLE FOR SALE	\$	3,426
OTHER	\$	2,139
TOTAL INTEREST INCOME	\$	30,813

INTEREST EXPENSE

DEPOSITS	\$	2,345
BORROWINGS	\$	-
TOTAL INTEREST EXPENSE	\$	2,345

NET INTEREST INCOME	\$	28,468
PROVISION FOR POSSIBLE LOAN LOSSES	\$	400
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOAN LOSSES	\$	28,068

NON INTEREST INCOME

SERVICE CHARGES ON DEPOSIT ACCOUNTS	\$	614
OTHER SERVICE CHARGES AND FEES	\$	1,676
OTHER REAL ESTATE OWNED	\$	-
TOTAL NON INTEREST INCOME	\$	2,290

NON INTEREST EXPENSE

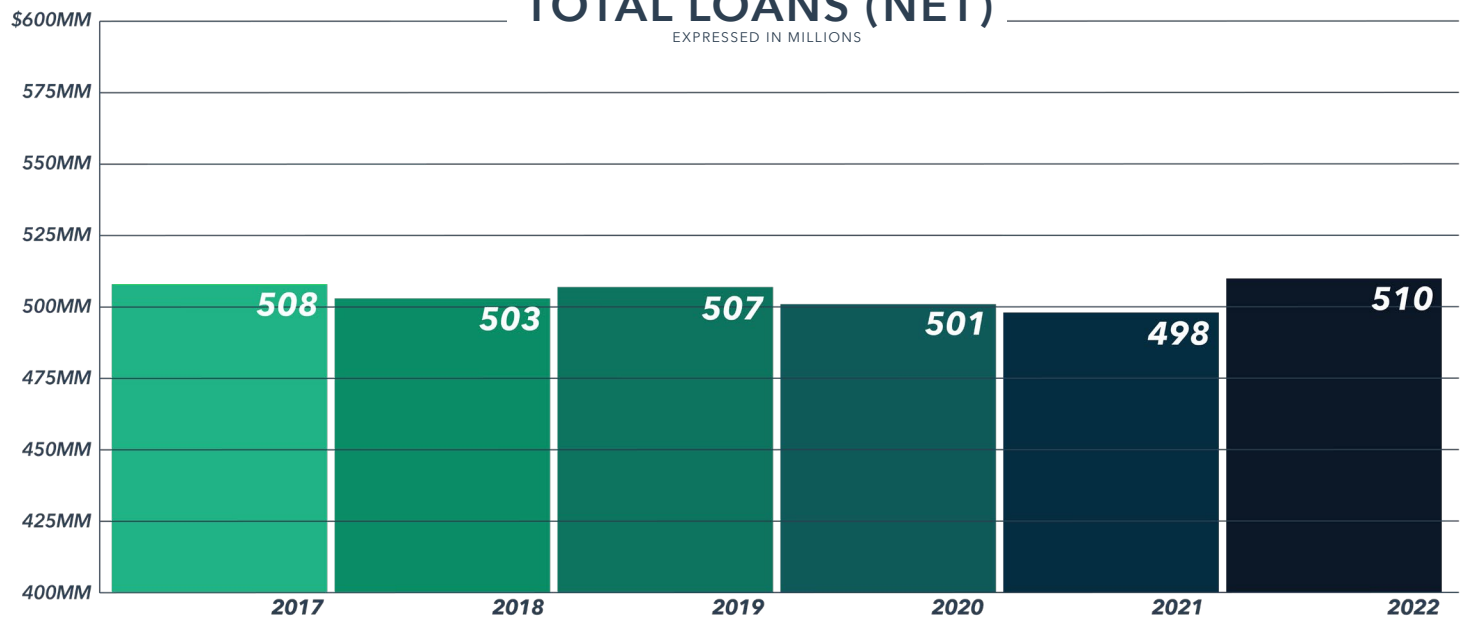
SALARIES AND EMPLOYEE BENEFITS	\$	10,223
OCCUPANCY	\$	511
FURNITURE AND EQUIPMENT	\$	307
OTHER REAL ESTATE OWNED	\$	52
INFORMATION TECHNOLOGY	\$	967
OTHER EXPENSES	\$	4,170
TOTAL NON INTEREST EXPENSE	\$	16,230

PRE-TAX NET INCOME	\$	14,128
INCOME TAX EXPENSE	\$	584
NET INCOME	\$	13,544

2021	2020	2019	2018
24,570	26,762	27,612	26,349
2,419	2,548	2,174	2,007
<u>254</u>	<u>352</u>	<u>1,883</u>	<u>906</u>
27,243	29,662	31,669	29,262
1,773	4,152	6,190	3,826
<u>-</u>	<u>-</u>	<u>-</u>	<u>105</u>
1,773	4,152	6,190	3,931
25,470	25,510	25,479	25,331
<u>550</u>	<u>1,275</u>	<u>900</u>	<u>850</u>
24,920	24,235	24,579	24,481
635	605	631	699
1,682	1,300	1,310	1,094
<u>1</u>	<u>60</u>	<u>-</u>	<u>-</u>
2,318	1,965	1,941	1,793
9,562	9,234	8,974	8,934
457	434	397	417
244	263	341	500
-	-	1,332	35
924	730	735	675
<u>3,790</u>	<u>3,183</u>	<u>3,486</u>	<u>3,559</u>
14,977	13,844	15,265	14,120
12,261	12,356	11,255	12,154
642	479	211	-
<u>11,619</u>	<u>11,877</u>	<u>11,044</u>	<u>12,154</u>

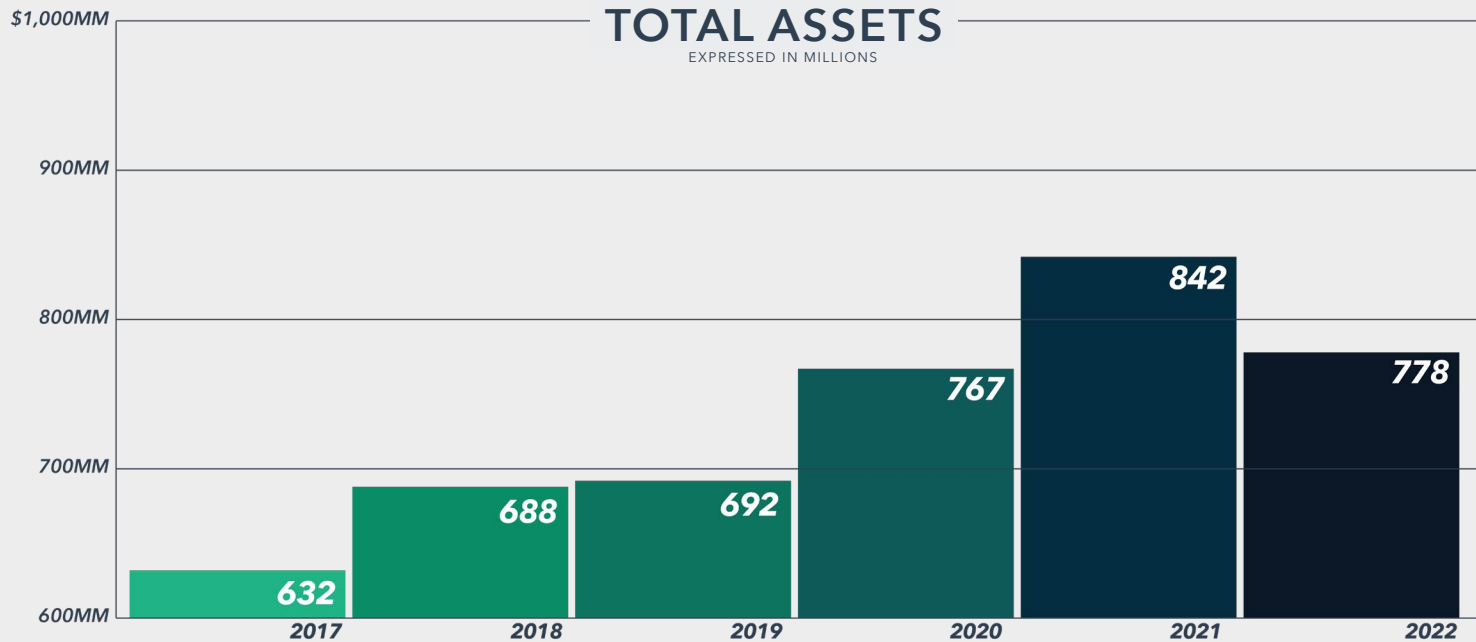
TOTAL LOANS (NET)

EXPRESSED IN MILLIONS



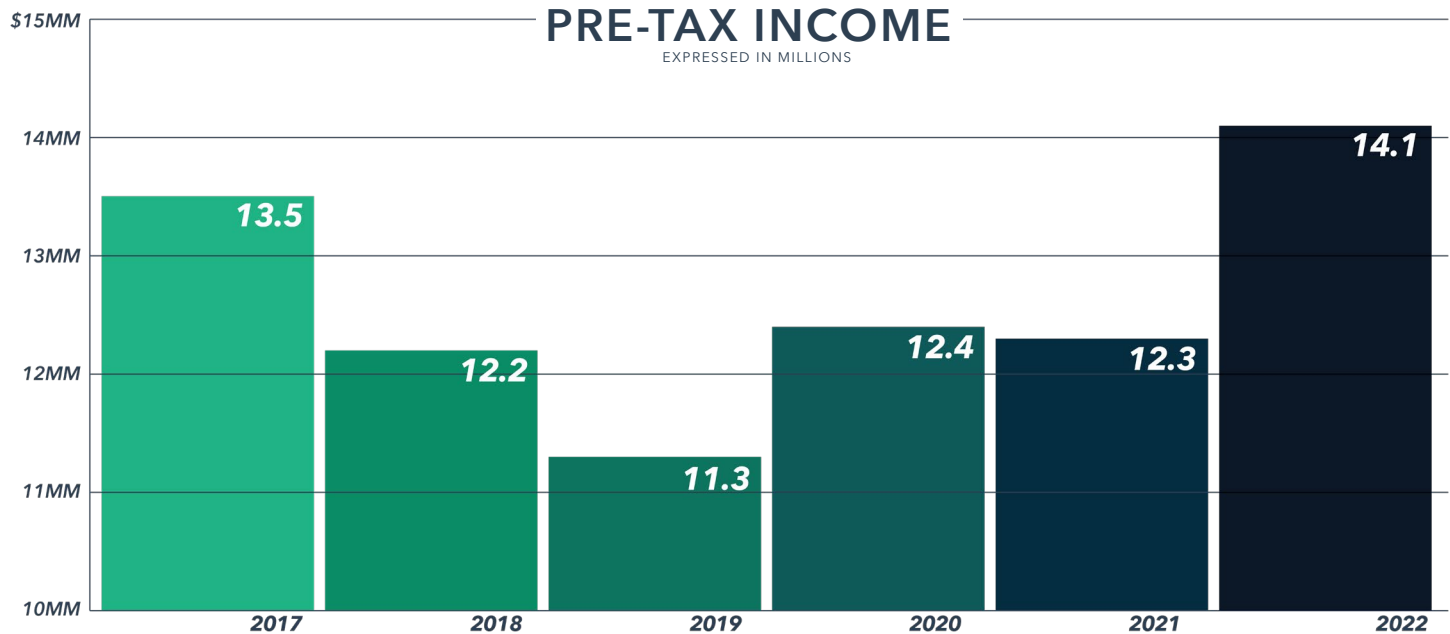
TOTAL ASSETS

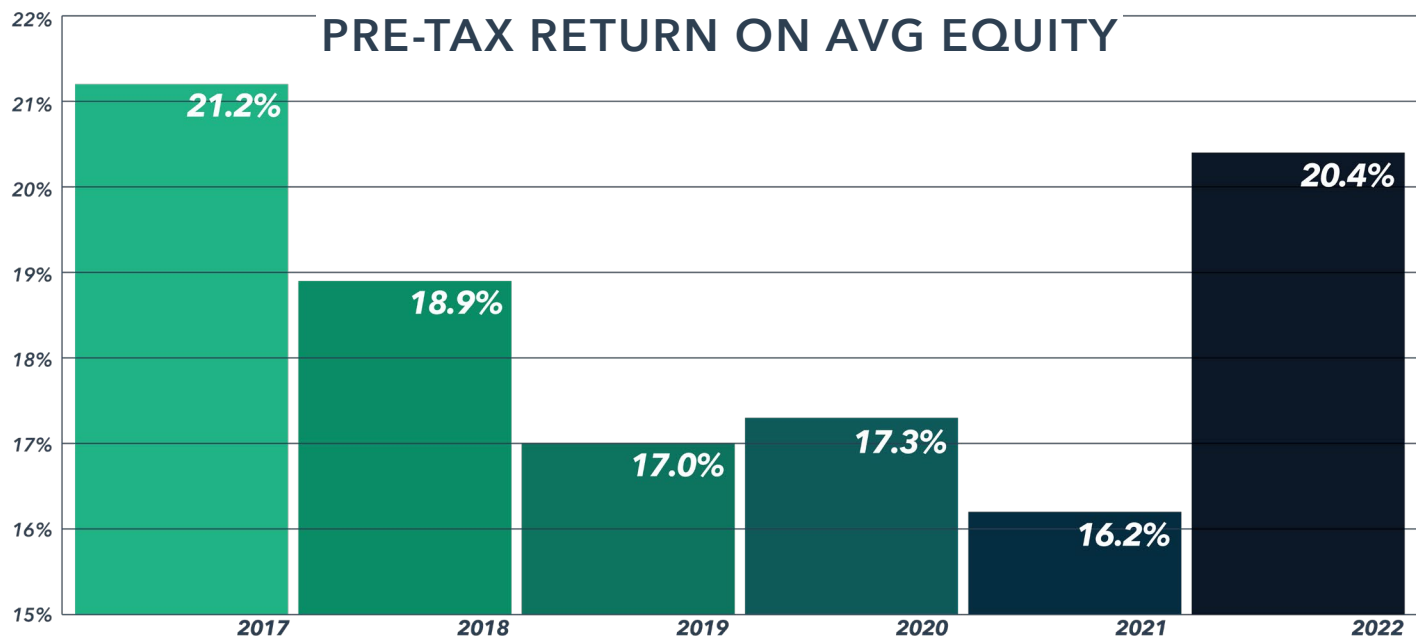
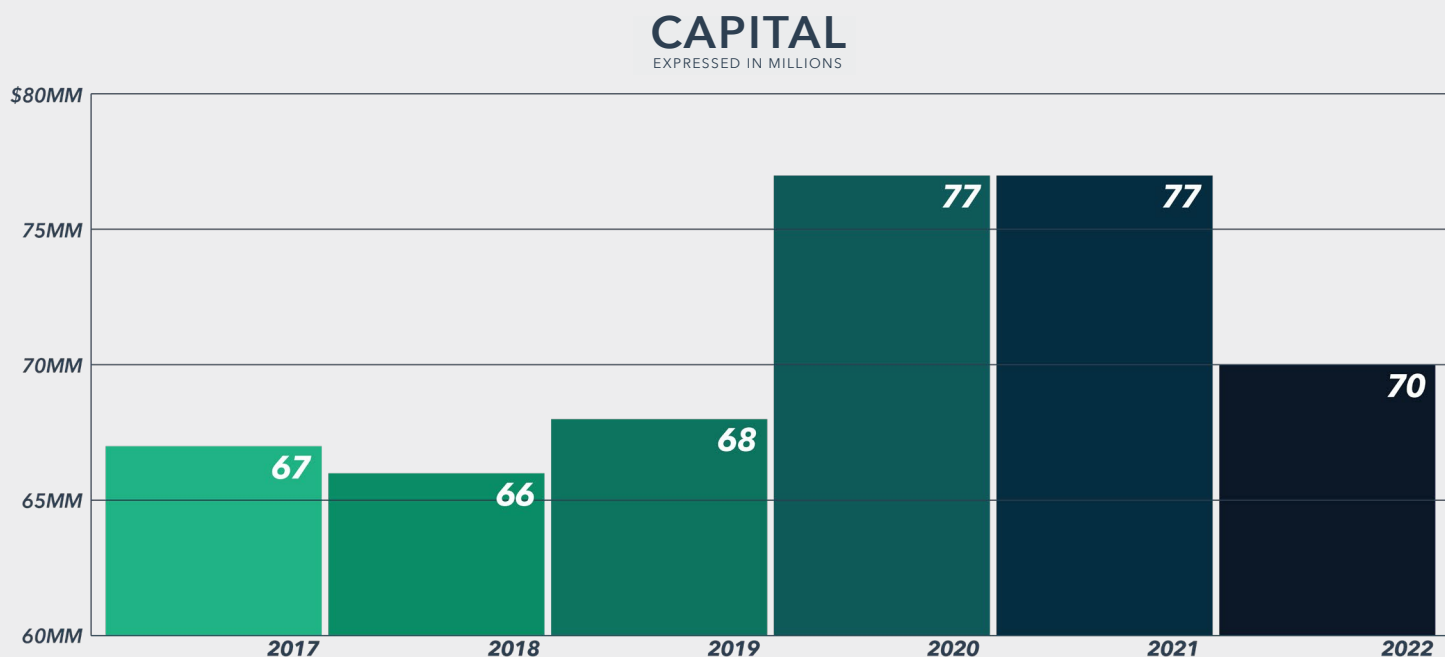
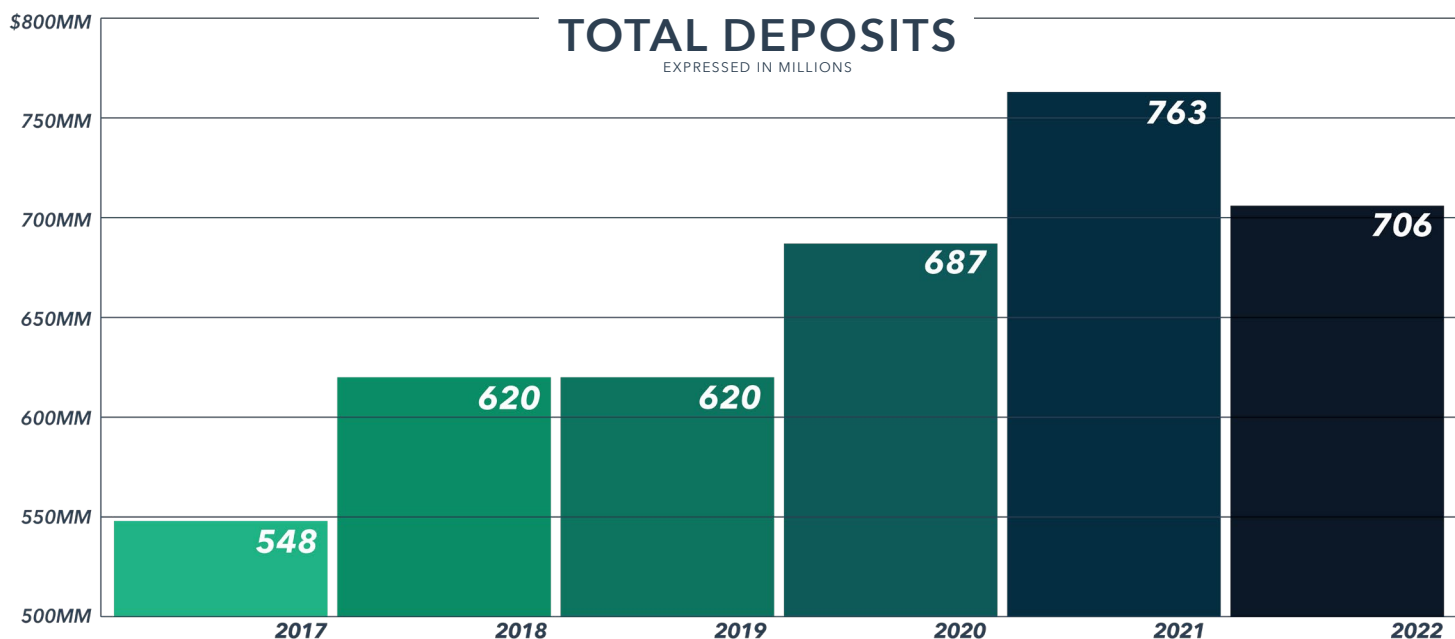
EXPRESSED IN MILLIONS



PRE-TAX INCOME

EXPRESSED IN MILLIONS







PHYLLIS 1980



SUE 1982



SHARON 1986



CAROL 1991



STEVE 1993



JOHN 1993



FAY 1995



JAMES 1995



KELLY 1999



JULIE 2000



SHELLI 2000



HANK 2001



CAROLE 2001



MIKE 2002



KATHY 2002



L.D. 2003



RICHELLE 2007



LAUREN 2008



DOUG 2009



ERIN 2009



KENTON 2010



JERIKA 2011



ALICE 2011



TYLER 2011



ADAM 2013



BRYAN 2013



DIANNA 2014



DONNELL 2015



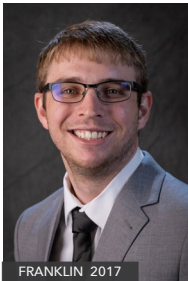
SUSAN 2016



REGAN 2017



CHRIS 2017



FRANKLIN 2017



BRITTNEY 2019



JENNIFER 2020



KENJI 2020



LANDON 2020



ALLIE 2021



TRACY 2021



KALI 2021



DEBBIE 2021



ALEX 2022



LEVI 2022



SENDY 2022



JEFF 2022



JAMIE 2022



DAVID 2022





JEANNIE 1995

RANDY 1995

BRYAN 1996

TERRI 1997

ALAN 1997

LAURA 1997

JEFF 1997

LACEY 1999



LAUREL 2003

JENNIFER 2003

KAYE 2003

MARK 2004

STEPHANIE 2005

ELISABETH 2006

VIVIAN 2006

DEREK 2007



DIANE 2011

MIKE 2011

LAURYN 2011

LAURA 2012

KATHY 2012

DARRIS 2012

SUMMER 2013

K.T. 2013



JOBI 2017

BLAKE 2018

CARLEE 2018

BRANDON 2018

MEGAN 2018

TIM 2019

PAM 2019

LINDSAY 2019



COLE 2021

MIKE 2021

STEPHEN 2021

COLE 2022

DAVID 2022

TORIA 2022

KYLA 2022

LIEGHLA 2022

OUR 2022 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

JERIKA COFFMAN
SENIOR VICE PRESIDENT
CHIEF CREDIT 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

BRYAN PETTY
SENIOR VICE PRESIDENT

DAVID SINE
SENIOR VICE PRESIDENT

MICHAEL D. SPANN
SENIOR VICE PRESIDENT

MICHAEL THAGARD
SENIOR VICE PRESIDENT

ALAN WEBB
SENIOR VICE PRESIDENT

VICE PRESIDENT

LACEY L. BIFFLE
VICE PRESIDENT

DEREK BRIGGS
VICE PRESIDENT

L.D. FERGUSON
VICE PRESIDENT

PHYLLIS FORD
VICE PRESIDENT

JEFF HAYDEN
VICE PRESIDENT

JULIE JOHNS
VICE PRESIDENT

CAROLE JOHNSON
VICE PRESIDENT

COLE MARTIN
VICE PRESIDENT

STEPHANIE MILLS
VICE PRESIDENT

LAURA NUNNERY
VICE PRESIDENT

DIANNA PRITCHETT
VICE PRESIDENT

BRYAN SCOTT
VICE PRESIDENT

TYLER STROUD
VICE PRESIDENT

ASSISTANT VICE PRESIDENT

ELISABETH ACOSTA
ASSISTANT VICE PRESIDENT

JENNIFER BRYANT
ASSISTANT VICE PRESIDENT

PAM DURAN
ASSISTANT VICE PRESIDENT

SHELLI FISCUS
ASSISTANT VICE PRESIDENT

ADAM HOWELL
ASSISTANT VICE PRESIDENT

REGAN ROBINETT
ASSISTANT VICE PRESIDENT

OFFICERS

KATHLEEN MASTBROOK
LOAN OPERATIONS OFFICER

CHRIS LONGWELL
CREDIT OFFICER



Quail Creek Bank