

LEADERSHIP TEAM

DIRECTORS

CHAIRMAN

Peter S. Paine, Jr.

Matthew T. Boire

Kevin M. Brady

Steven G. Cacchio

Alice E. Cole

William H. Kissel

Vincent McClelland

Deena G. McCullough

Alexander G. Paine

Jay Winthrop

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Roderic G. Giltz

Peter S. Paine III

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PRESIDENT AND CEO

Steven G. Cacchio

BANKING OFFICERS

Brittany L. Faubert

Lori E. Hebert

Emelin E. Koss

Ralitsa N. Livermore

Desiree A. Maze

Cynthia J. Monty

Melanie A. Porter

Lena J. Robetoy

Medara R. Sherman

Taylor R. Sousa

Jennifer L. Tedford

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Darlene B. Mirrer

Lisa M. Roberts

Sarah A. Schmidt

VICE PRESIDENTS

Valarie M. Favaro

Edward P. Finnerty

Jacqueline R. Hallock

Judy L. Hoskins

Kevin J. Richard

Marilyn A. Strong

BRANCHES

CHAMPLAIN

636 State Route 11

(518) 983-3314

CROWN POINT

2687 Main Street

(518) 983-3322

ELIZABETHTOWN

7558 Court Street

(518) 873-6347

KEENE

10849 NYS Route 9N

(518) 576-9515

LAKE PLACID

2040 Saranac Avenue

(518) 523-7070

PLATTSBURGH

500 Route 3

(518) 561-6000

32 Cornelia Street

(518) 562-1785

SARANAC LAKE

151 Church Street

(518) 304-5200

WESTPORT

6478 Main Street

(518) 983-3316

WILLSBORO

3900 NYS Route 22

(518) 963-4201



2022 Annual Report

CHAMPLAIN BANK CORPORATION
3900 NYS ROUTE 22
WILLSBORO, NY 12996
(518) 963-4201
www.champlainbank.com



Champlain Bank Corporation

Fellow Shareholders,

I am pleased to once again report Champlain Bank Corporation delivered solid financial results. We recognized record net income of \$4.97 million at year end 2022, compared to \$4.41 million in 2021. Return on average assets and return on average equity were 1.07% and 16.78% for 2022 as compared to 1.02% and 11.63% for 2021, respectively. This was achieved while still contributing another \$130,000 to our charitable fund. We have now contributed almost \$400,000 to the fund over the past three years, significantly increasing its assets and, in turn, its impact in our communities.

Total assets of \$461 million in 2022 remained steady compared to \$456 million in 2021, a slight 1.05% increase. Net loans increased 7.1% to \$297 million compared to \$277 million in 2021. The loan portfolios remain strong, and the reserve for loan loss to loans was 1.63% at year end. Deposits also grew modestly at .6% from \$401 million in 2021 to \$403 million in 2022, consisting of retail, commercial, and municipal banking relationships.

Community banking is about people, and we are committed to meeting our customer needs. We continue to invest in upgrades to our technology and physical locations. These include enhancements to mobile banking offerings, payment systems, ATMs and in person transactions. We are confident these new products and services will provide the solutions that our clients want.

As I look forward to 2023, there will be challenges related to margin compression, and higher costs. I am confident that we have the right people and management team to handle this changing environment. Managing interest rate risk is fundamental to the banking business. We actively manage our balance sheet in anticipation of changing economic cycles. We remain focused on maintaining the health of the Bank. Our diverse client base, strong capital position, and disciplined credit culture continues to serve us well.



We remain an essential partner in the communities we serve. I am grateful for the trust and loyalty that our clients place in us. On behalf of the entire team, thank you.

Should you have any questions on our audited financial statements, which can be found on our website at www.champlainbank.com, please feel free to call our CEO Steven Cacchio at (518) 963-4201 ext. 1111 or our CFO, Sarah Schmidt at (518) 963-4201 ext. 1158. Our annual stockholders meeting will be held at 9:30 am Friday, June 23, 2023, at the Executive Offices of our Willsboro location.

Sincerely,

Peter S. Paine, Jr.
Chairman

CHAMPLAIN BANK CORPORATION

CONSOLIDATED BALANCE SHEETS

(In thousands)	December 31	
	2022	2021
ASSETS		
Cash on hand and due from banks	\$ 6,492	\$ 5,915
Federal funds sold	190	100
Securities available for sale (at market)	124,968	143,122
Securities held to maturity (at amortized cost)	3,328	3,647
Loans, net of reserve for loan losses	297,175	277,361
Stock in Federal Reserve Bank and Federal Home Loan Bank	1,513	652
Bank premises and equipment, net	4,146	3,693
Other assets	22,831	21,385
Total assets	<u>\$ 460,643</u>	<u>\$ 455,875</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities		
Deposits	\$ 403,083	\$ 400,675
Borrowed funds	22,900	4,900
Reserve for dividend	132	126
Other liabilities	10,707	11,152
Total liabilities	<u>436,822</u>	<u>416,853</u>
Stockholders' Equity		
Capital stock	28	28
Surplus	1,071	1,071
Undivided profits	45,065	40,613
Accumulated other comprehensive income (loss)	(20,934)	(1,287)
Treasury stock	(1,409)	(1,403)
Total stockholders' equity	<u>23,821</u>	<u>39,022</u>
Total liabilities and stockholders' equity	<u>\$ 460,643</u>	<u>\$ 455,875</u>

CONSOLIDATED STATEMENTS OF INCOME

(In thousands except share and per share data)	December 31	
	2022	2021
Interest income	\$ 16,116	\$ 14,649
Interest expense	639	260
Net interest income	<u>15,477</u>	<u>14,389</u>
(Credit) provision for loan losses	0	(200)
Net interest income after provision for loan losses	15,477	14,589
Non interest income	2,415	2,176
Non interest expense	11,767	11,270
Net income before taxes	6,125	5,495
Income tax expense	1,151	1,083
Net income	<u>\$ 4,974</u>	<u>\$ 4,412</u>

PER SHARE DATA

Income per average share	\$ 206.97	\$ 183.61
Average shares outstanding	24,033	24,031
Book value adjusted for other comprehensive loss - period end	\$ 1,862.36	\$ 1,677.16

OTHER DATA

Loan to deposit ratio	73.73%	69.22%
Tier 1 leverage ratio	9.56%	8.69%
Return on average assets	1.07%	1.02%
Return on average equity	16.78%	11.63%
Reserve for loan loss to loans	1.63%	1.79%