

Bank
FLORIDA

Bancorp, Inc.

TM

2021 Annual Report



April 4, 2022

Dear Shareholder:

Your bank turned the corner in 2021 and we had a very good year. Not only in asset growth, but also in improved profitability. Total assets grew \$98,147,000 and ended the year at \$271,668,000. Net loans grew \$64,406,000 (60.12%) and ended at \$171,523,000. While total deposits were up \$92,667,000 of which \$53,750,000 of that growth was in demand (low cost) deposits. This growth continued in the 1st quarter of 2022 with loans increasing \$30,000,000 to \$200,000,000, deposits grew to \$270,000,000 and total assets were up \$27,500,000 to \$299,000,000.

Our net income for 2021 was \$646,000 compared to a net loss of \$1,560,000 in 2020 which was an improvement of \$2,206,000. The largest improvement was in our net interest income which was up \$3,579,000 and continues to improve through the first quarter of 2022. Non-interest income was up \$370,000 when factoring in the one-time loss on security sales of \$236,000 that occurred in 2020. Net interest expense was up \$1,028,000 of which \$876,000 was in salaries and benefits as we added employees which supported our rapid asset growth during the year.

This year we will build and open our fourth office in St. Cloud and will have started construction on the new Dade City office as we move towards relocating out of the store front the Bank currently occupies. I want to thank you all for your continued support and I am looking forward to an outstanding 2022. If you ever have a banking need or question, please feel free to give me a call.

Sincerely,

James S. "Bud" Stalnaker, Jr.
Chairman, President & CEO



BOARD OF DIRECTORS

James S. "Bud" Stalnaker, Jr.
Chairman, President & CEO - BankFlorida

Kenneth Lehman
Chairman – BankFlorida Bancorp, Inc.
Entrepreneur

Dale Maggard
Owner – Sonny's Discount Appliances, Inc.

Dan Knowlton
Owner – K & K Glass, Inc.

Allen Altman
Insurance Agent

BANKFLORIDA BANCORP, INC. AND SUBSIDIARY

Consolidated Balance Sheets (\$ in thousands, except per share amounts)

	At December 31,	
	2021	2020
Assets		
Cash and due from banks	\$ 1,906	1,958
Interest-bearing deposits in banks	<u>72,161</u>	<u>48,219</u>
Total cash and cash equivalents	74,067	50,177
Debt securities available for sale	15,849	6,317
Loans, net of allowance for loan losses of \$1,790 and \$1,196	171,523	107,117
Accrued interest receivable	462	406
Federal Home Loan Bank stock, at cost	148	143
Premises and equipment, net	6,544	6,153
Deferred income taxes	1,191	1,361
Bank-owned life insurance	1,119	1,093
Other assets	<u>765</u>	<u>754</u>
Total assets	\$ <u>271,668</u>	<u>173,521</u>
Liabilities and Stockholders' Equity		
Deposits:		
Noninterest-bearing demand	82,286	28,356
Interest-bearing demand	12,066	15,392
Savings and money market	132,557	78,825
Time	<u>15,158</u>	<u>26,827</u>
Total deposits	242,067	149,400
Federal Home Loan Bank advance	-	625
Accrued expenses and other liabilities	<u>290</u>	<u>262</u>
Total liabilities	<u>242,357</u>	<u>150,287</u>
Commitments and contingencies (Notes 5, 12 and 13)		
Stockholders' equity:		
Preferred stock, \$1 par value; 10,000,000 shares authorized; none issued or outstanding	-	-
Common stock: \$1 par value; 50,000,000 shares authorized; 3,180,332 and 2,676,446 shares issued and outstanding	3,180	2,676
Additional paid-in capital	33,772	28,733
Accumulated deficit	(7,545)	(8,191)
Accumulated other comprehensive (loss) income	<u>(96)</u>	<u>16</u>
Total stockholders' equity	<u>29,311</u>	<u>23,234</u>
Total liabilities and stockholders' equity	\$ <u>271,668</u>	<u>173,521</u>

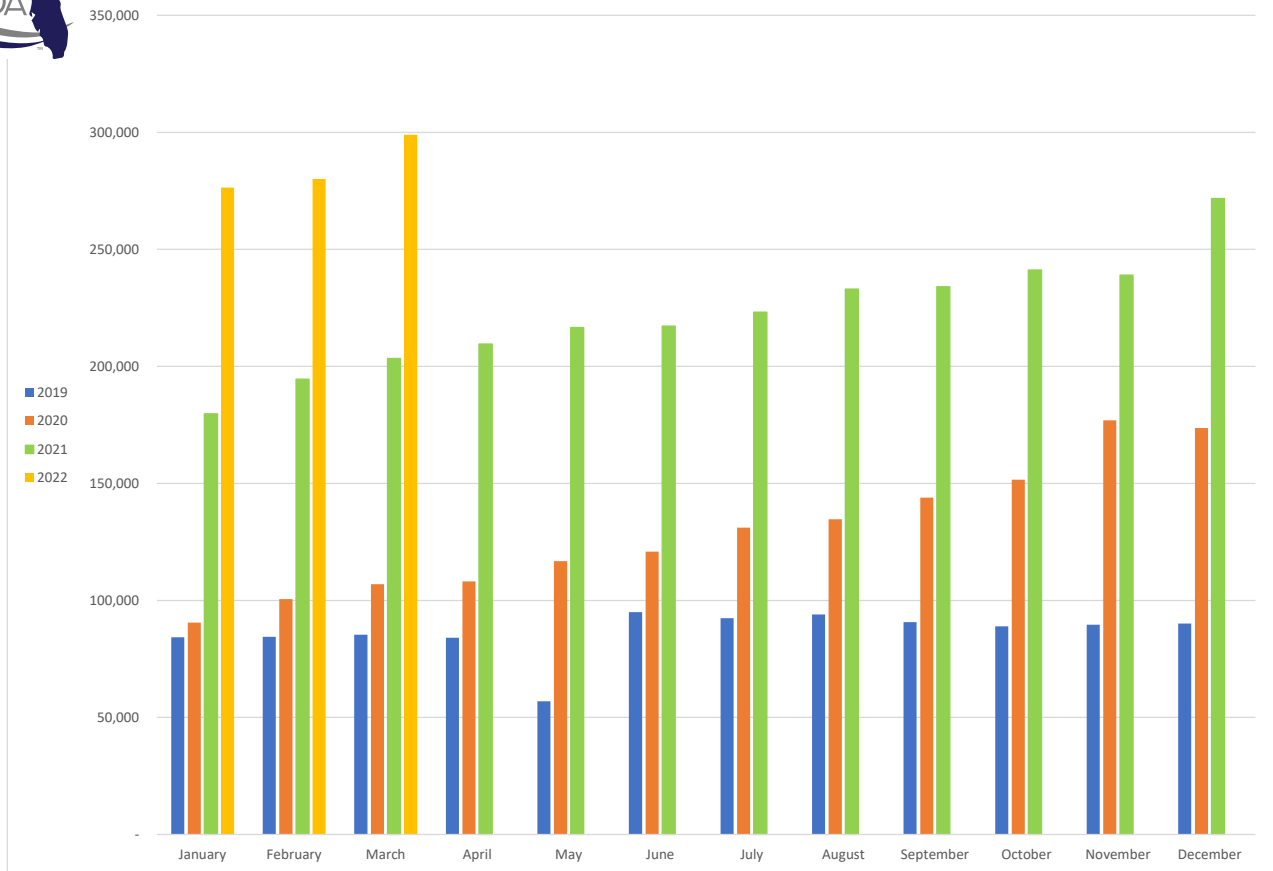
BANKFLORIDA BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Operations
(In thousands)

	<u>Year Ended December 31,</u>	
	<u>2021</u>	<u>2020</u>
Interest income:		
Loans	\$ 7,040	3,617
Debt securities available for sale	249	332
Other interest-earning assets	<u>56</u>	<u>80</u>
Total interest income	<u>7,345</u>	<u>4,029</u>
Interest expense:		
Deposits	890	1,132
Federal Home Loan Bank advance	<u>2</u>	<u>18</u>
Total interest expense	<u>892</u>	<u>1,150</u>
Net interest income	6,453	2,879
Provision for loan losses	<u>570</u>	<u>575</u>
Net interest income after provision for loan losses	<u>5,883</u>	<u>2,304</u>
Noninterest income:		
Service charges and fees	53	72
Financial services fees	179	27
Earnings on bank-owned life insurance	26	25
Gain on sale of loans held for sale	-	20
Loss on sale of debt securities available for sale	-	(254)
Other	<u>13</u>	<u>11</u>
Total noninterest income (loss)	<u>271</u>	<u>(99)</u>
Noninterest expense:		
Salaries and benefits	3,383	2,507
Occupancy and equipment	432	297
Data processing	658	515
Regulatory assessments	178	98
Professional fees	152	466
Other	<u>506</u>	<u>398</u>
Total noninterest expense	<u>5,309</u>	<u>4,281</u>
Income (loss) before income taxes (benefit)	845	(2,076)
Income taxes (benefit)	<u>199</u>	<u>(516)</u>
Net income (loss)	\$ <u>646</u>	<u>(1,560)</u>

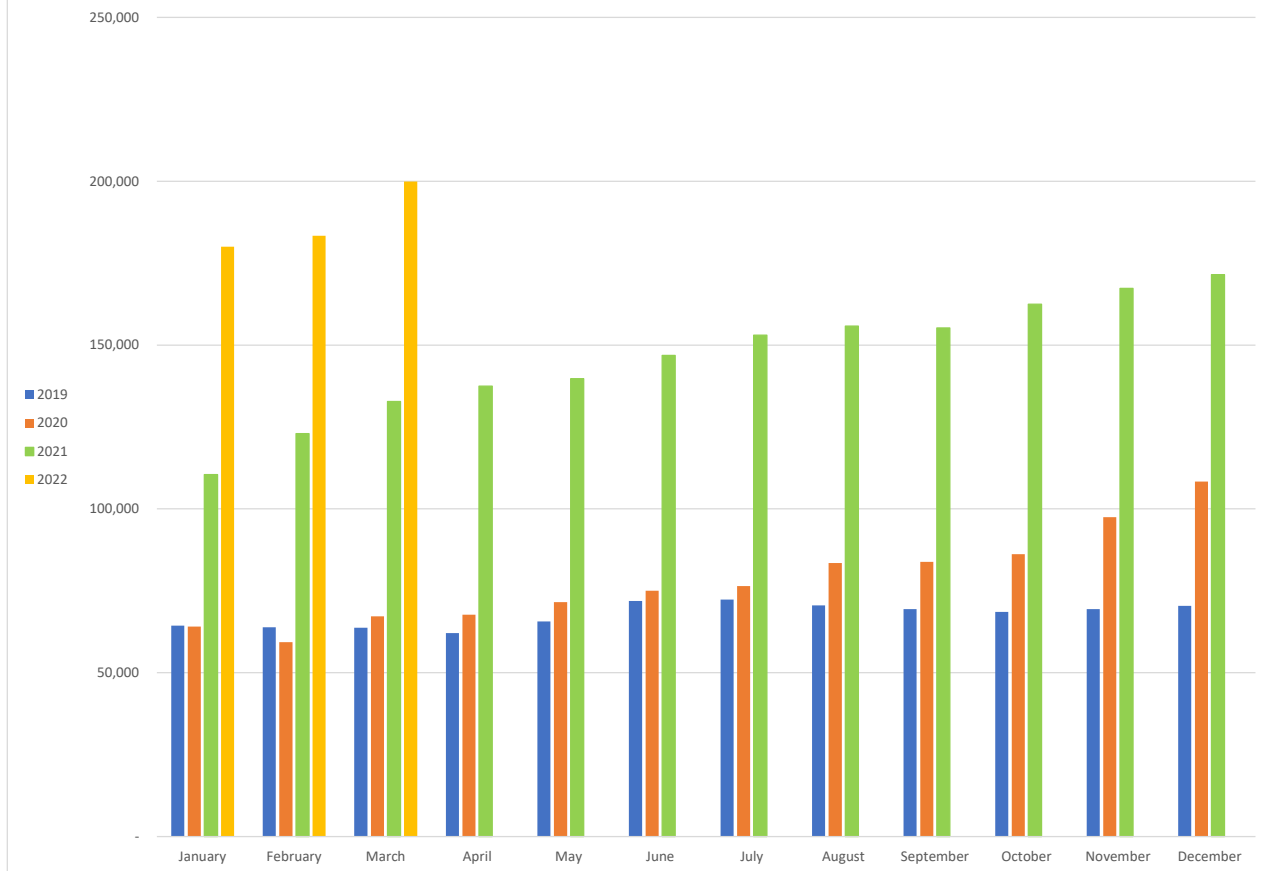


TOTAL ASSETS (in thousands)



Change of control took place June 2020

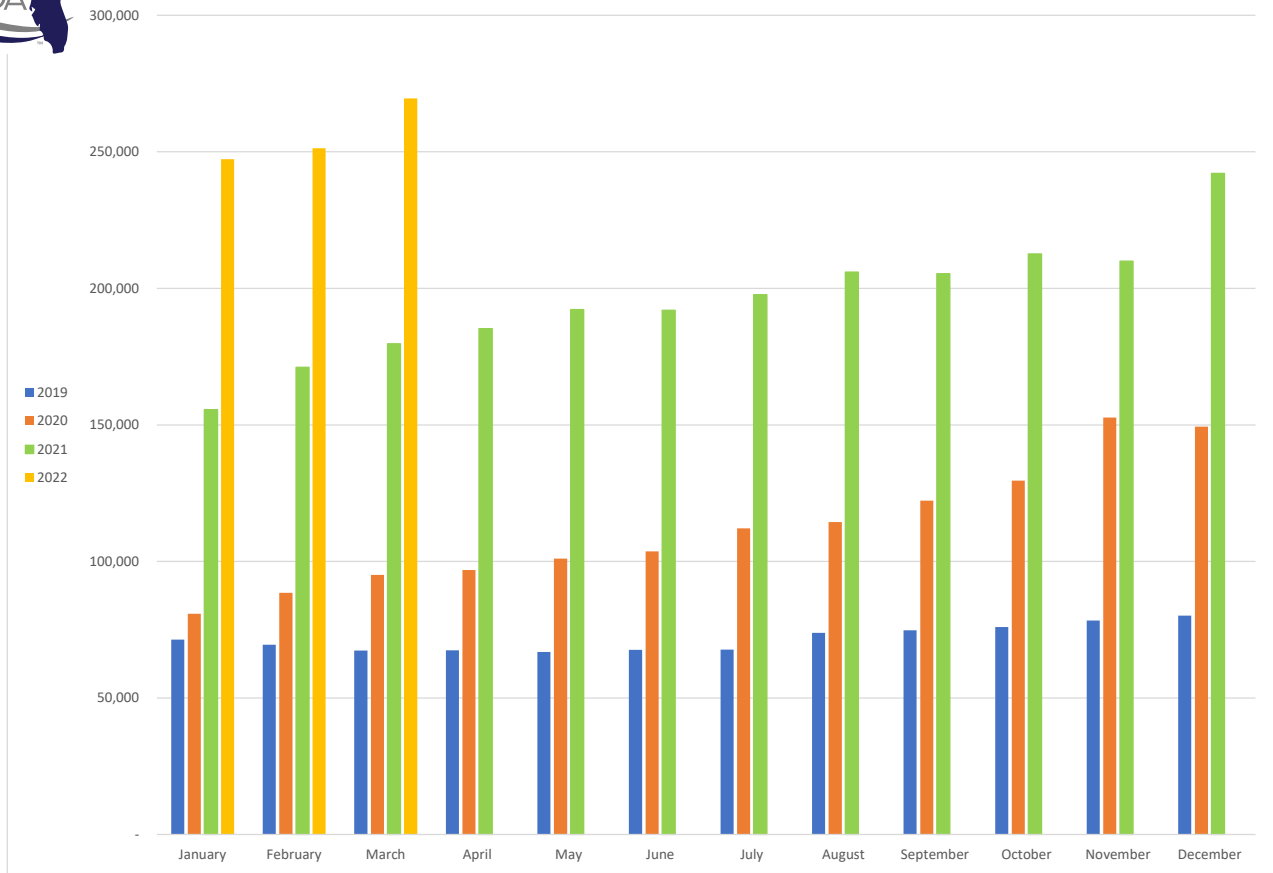
TOTAL LOANS (in thousands)



Change of control took place June 2020

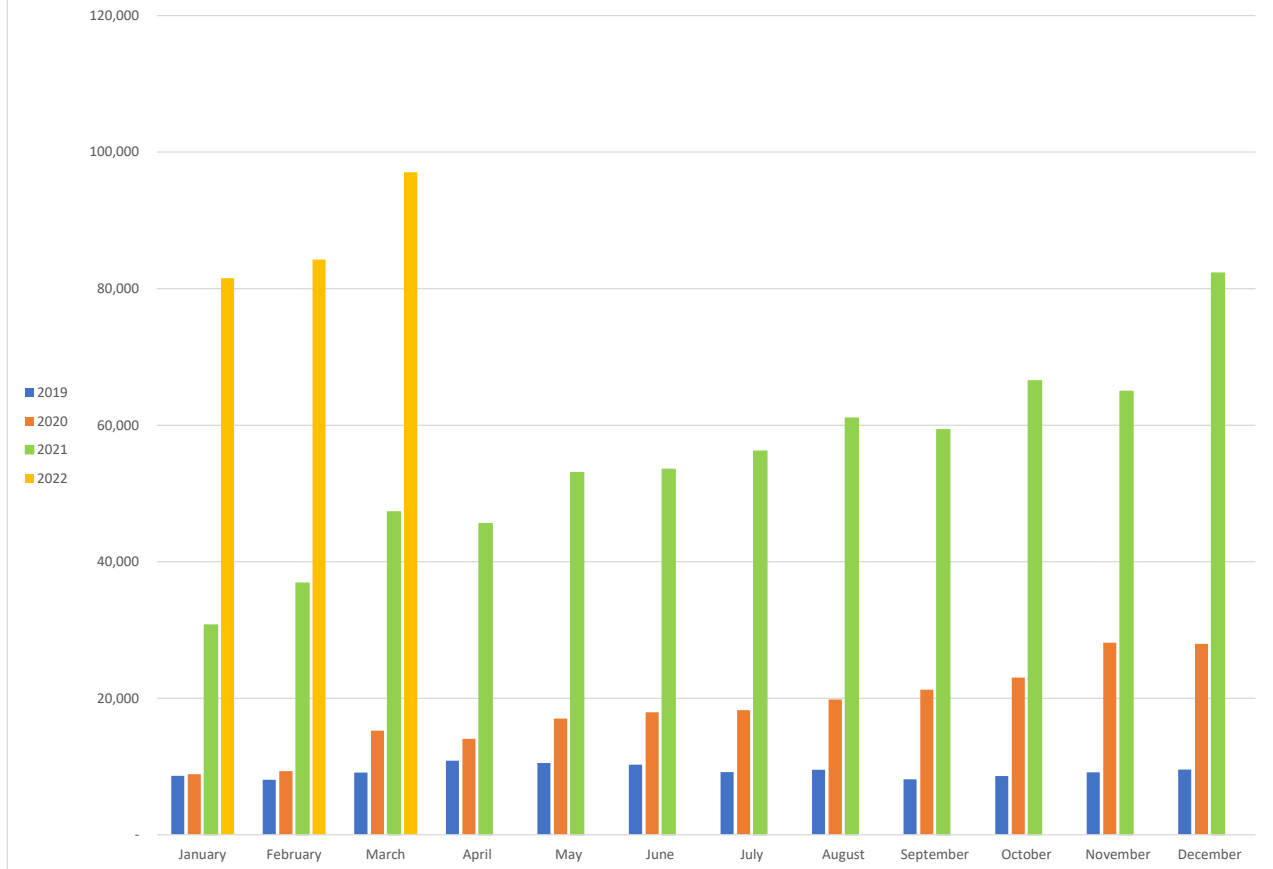


TOTAL DEPOSITS (in thousands)



Change of control took place June 2020

TOTAL DEMAND DEPOSITS (in thousands)



Change of control took place June 2020

