



Tri-County Bank

2022
ANNUAL REPORT



MESSAGE FROM THE PRESIDENT



To Our Shareholders

On behalf of the board of directors, management team and staff of Tri-County Bancorp (the Company) and its wholly-owned subsidiary, Tri-County Bank (the Bank), we are proud to provide the 2022 annual report.

2022 was a year that proved worthy of following its record earnings setting predecessor – 2021. Extraordinary in itself, 2022 was an incredibly successful year across both the balance sheet and the income statement.

It's been said that the difference between good organizations and great organizations is the people who work for those organizations. Backed by proof from outstanding earnings, continued growth and high asset quality to strong results from recent examinations, it is our belief that the key to the Bank's durability and perpetual success has been its great people.

The Company's consolidated income for the year ending 2022 was \$7.933 million. Although this was a very slight decrease of \$162K compared to our record setting year ending 2021 the Bank achieved the 2nd highest ROA (Return on Assets) of all banks headquartered in Michigan during 2022. The Bank's ROA ended the year 2022 at 1.61% - almost double the state average and state median of .87%.

The Company's total assets for year ending 2022 were \$523.81 million compared to year ending 2021 of \$467.98 million – an increase of \$55.84 million or 11.93%. Deposits for year ending 2022 were \$453.62 million compared to year ending 2021 of \$415.10 million – an increase of \$38.52 million or 9.28%. Loans for year ending 2022 were \$358.34 million compared to year ending 2021 of \$258.54 – an increase of \$99.8 million or 38.60%.

As we enter 2023, the Bank will focus on loan and deposit growth, maintaining strong asset quality, expanding our customer base and continuing to serve our existing customers with the utmost diligence, attentiveness and respect. Attracting new customers remains a priority as does providing strong leadership, support and service in the communities we serve.

We remain resolute to consistently meet and frequently exceed the expectations of our stakeholders. With much enthusiasm, we are well on our way to continue our high performance trends through 2023 and into the future.

Sincerely,

A handwritten signature in black ink that reads "Michael A. Ford".

Michael A. Ford
President & Chief Executive Officer

BauerFinancial
Awarded a
5-STAR RATING
for 40 consecutive
quarters!



RANKED #1 BY FMC

For a second straight year, Tri-County Bank was ranked 1st overall of the 76 community banks headquartered in Michigan by the Financial Management Consulting Group (FMC). The performance report considers many key factors such as bank size, margin, fee income, efficiency, asset quality and earnings.

Ranked #1 by Bankers Caddy, LLC for second consecutive year, and in four of the past six years for overall performance. Ranked top 10 in:

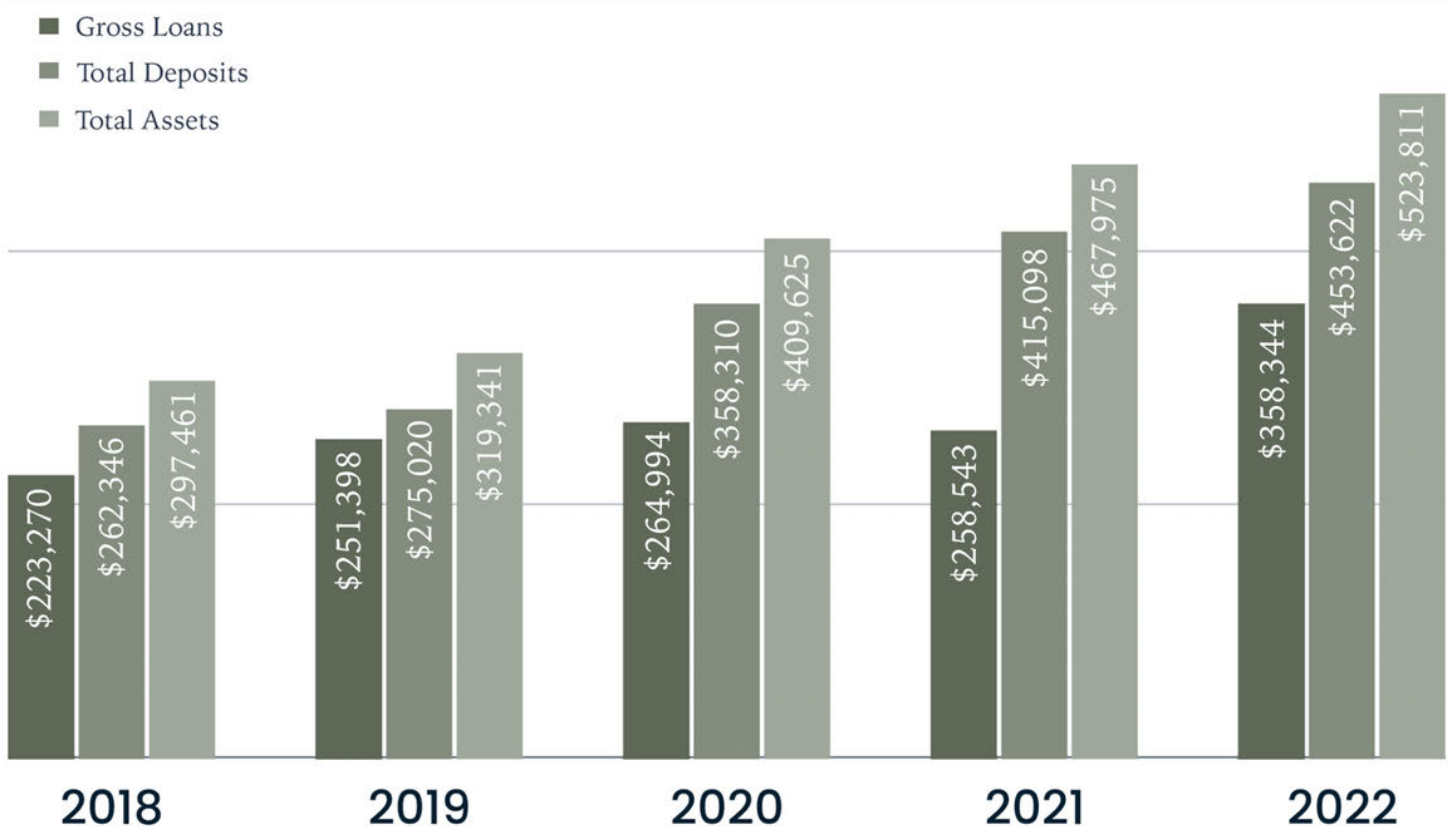
2015 • 2016 • 2017 • 2018
2019 • 2020 • 2021 • 2022



Bankers Caddy, LLC ranks the overall performance of a custom peer group of banks located in Michigan and Ohio. Overall bank performance ranking is calculated by using the percentile rankings for certain ratios representing capitalization, asset quality, earnings, liquidity and growth.

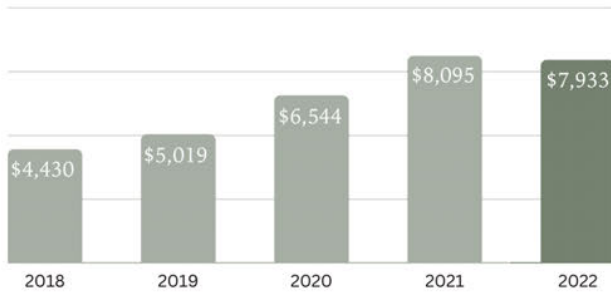
FINANCIALS

Balance Sheet (Dollars in Thousands)

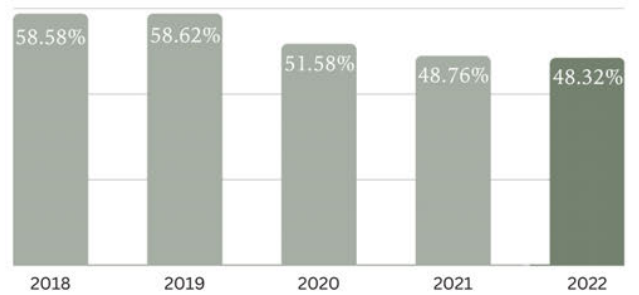


FINANCIALS

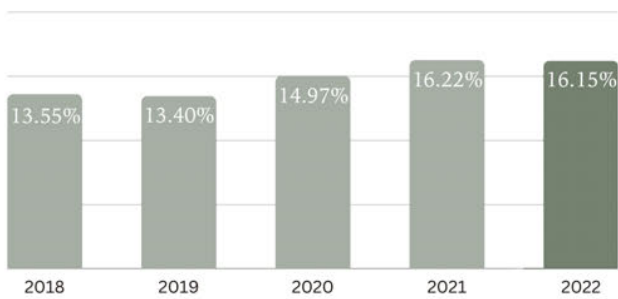
Net Income
(Dollars in Thousands)



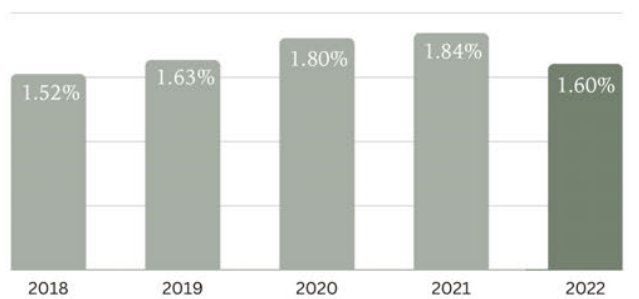
Efficiency Ratio



Return on Average Equity

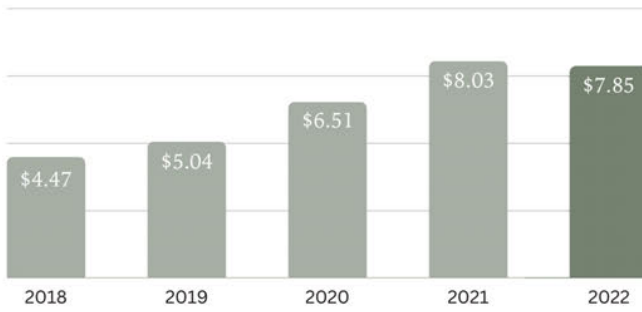


Return on Average Assets

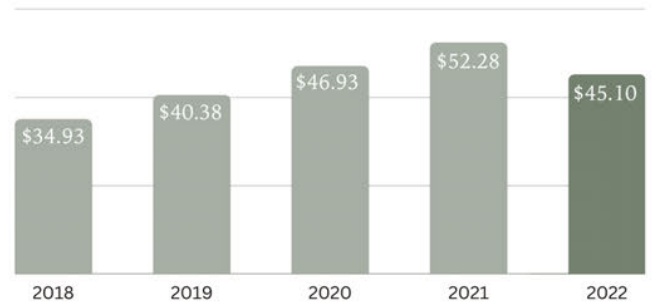


FINANCIALS

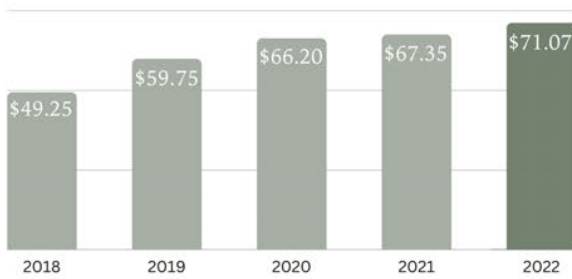
Earnings Per Share



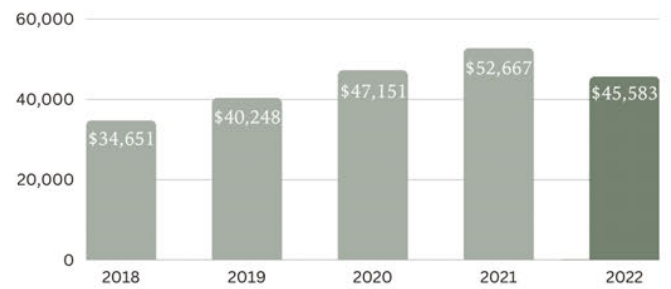
Book Value Per Share



Market Price Per Share



Stockholder's Equity



FINANCIALS

\$ IN THOUSANDS
EXCEPT PER SHARE DATA

2018 2019 2020 2021 2022

RESULTS OF OPERATIONS

Interest Income	\$ 13,278	\$ 15,314	\$ 16,899	\$ 18,292	\$ 20,159
Interest Expense	980	1,860	1,428	1,006	1,258
Net Interest Income	12,298	13,454	15,471	17,286	18,901
Provision for Loan Loss	394	174	862	331	956
Noninterest Income	1,882	2,056	3,155	3,124	2,168
Noninterest Expense	8,306	9,092	9,608	9,953	10,181
Income before income taxes	5,480	6,244	8,156	10,126	9,932
Income Tax Expense	1,050	1,225	1,612	2,031	1,999
Net Income	4,430	5,019	6,544	8,095	7,933

PERIOD END TOTALS

Total Assets	\$ 297,461	\$ 319,341	\$ 409,625	\$ 467,975	\$ 523,811
Gross Loans	223,270	251,398	264,994	258,543	358,344
Allowance for Loan Losses	1,882	2,018	2,413	2,827	3,243
Total Deposits	262,346	275,020	358,310	415,098	453,622
Total Borrowed Funds	-	3,000	3,000	-	24,000
Stockholder's Equity	34,651	40,248	47,151	52,667	45,583

PER SHARE DATA

Earnings Per Share	\$ 4.47	\$ 5.04	\$ 6.51	\$ 8.03	\$ 7.85
Book Value	34.93	40.38	46.93	52.28	45.10
Market Price Per Share*	49.25	59.75	66.20	67.35	71.07

PERFORMANCE RATIOS

Return on Average Assets	1.52%	1.63%	1.80%	1.84%	1.60%
Return on Average Equity	13.55%	13.40%	14.97%	16.22%	16.15%
Efficiency Ratio	58.58%	58.62%	51.58%	48.76%	48.32%

ASSET QUALITY RATIOS

Non-Performing Assets/OREO to Loans	0.20%	0.64%	0.54%	0.25%	0.07%
Net Charge-Offs (Recoveries) to Average Loans	0.01%	0.02%	0.18%	(0.03)%	0.18%
Allowance for Loan Losses to Loans	0.84%	0.80%	0.91%	1.09%	0.90%

CAPITAL RATIOS**

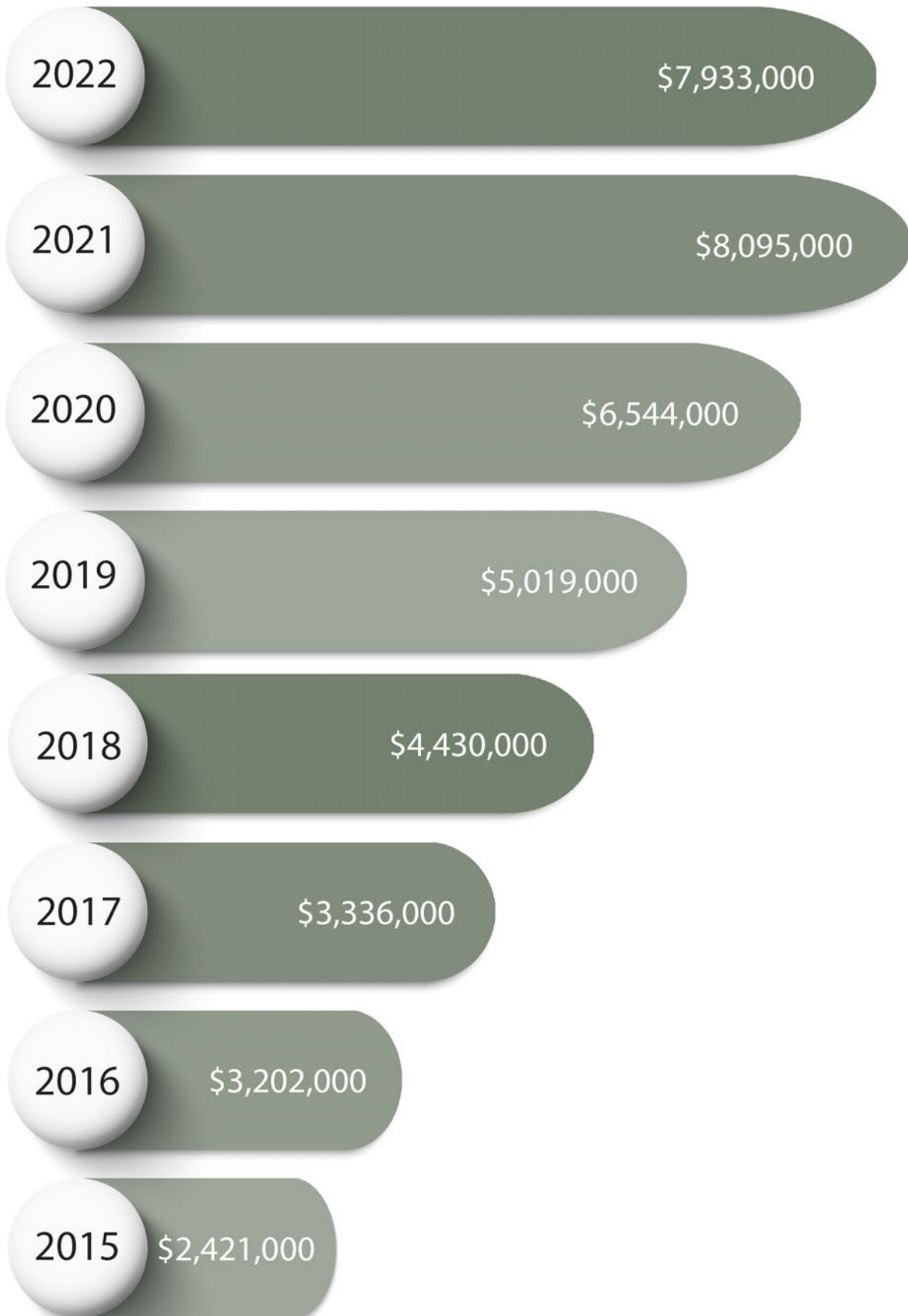
Total Risk-Based Capital	16.55%	16.48%	***	***	***
Tier 1 Risk-Based Capital	15.71%	15.68%	***	***	***
Tier 1 Leverage Capital	11.91%	12.41%	11.77%	11.26%	11.69%

*Based on last trade through each year end

**Indicates ratios attributable to Tri-County Bank

***Not required by Community Bank Leverage Ratio Framework

TRI-COUNTY BANK ANNUAL EARNINGS



TRI-COUNTY BANK DIRECTORS



BOARD OF DIRECTORS

Back Row: Mark Wendt - Vice-Chairman; Jeffrey Liebler - Director; M. Kelly Martin - Director;
Front Row: Marlene McLeod - Director; Michael A. Ford - Director, President & CEO;
Francis Glinski - Chairman; Vonda Zuhlke - Director

BANCORP, INC HOLDING COMPANY BOARD

Timothy Clemens - Director; Aric Crake - Director; Laurence C. Lange II - Chairman;
Michael A. Ford - Director; Francis Glinski - Director;
Mark E. Wendt - Vice-Chairman; Vonda Zuhlke - Secretary

BANCORP OFFICERS

Michael A. Ford - President & Chief Executive Officer
Vonda Zuhlke - Secretary & Treasurer

SENIOR MANAGEMENT

Michael A. Ford - President/Chief Executive Officer
Vonda Zuhlke - Executive Vice President/Chief Operations Officer/
Information Securities Officer
Mark Shadley - Senior Vice President/Chief Lending Officer
Michael Boushelle - Senior Vice President/Chief Financial Officer
Joseph Worden - Senior Vice President/Business Development Officer

OUR YEAR IN PHOTOS



SCHOLARSHIP RECIPIENTS



Alexis Krenzel
ALMONT HIGH SCHOOL



Eve Woodall
BROWN CITY HIGH SCHOOL



Joseph Gingell
BROWN CITY HIGH SCHOOL



Chloe Moran
CAPAC HIGH SCHOOL



Megan Anglebrandt
IMLAY CITY HIGH SCHOOL



Joseph Cryderman
KINGSTON HIGH SCHOOL



Emily Martinez
MARLETTE HIGH SCHOOL



Daniel Hadden
NORTH BRANCH HIGH SCHOOL



Alaina Heiden
PECK HIGH SCHOOL



Gabriel Peraino
ROMEO HIGH SCHOOL



Abigail Trepkowski
SANDUSKY HIGH SCHOOL



Ronald Culhane
YALE HIGH SCHOOL

DONATIONS THROUGHOUT THE YEAR

- Eastern Michigan Fair
- Sanilac County 4-H Fair
- Armada 4-H Fair
- Tuscola County 4-H Fair
- St. Clair County 4-H Fair
- Romeo Schools
- Brown City Public Library
- Marlette Chamber of Commerce
- Eva's Place
- Imlay City Chamber of Commerce
- Capac School Robotics Team
- Tuscola County Project RED
- Brown City Schools
- Ruth Hughes Library
- Annual Hospice Walk
- Brown City Days Festival
- North Branch American Legion
- Almont Heritage Festival
- Marlette Regional Hospital Foundation
- Relay for Life 5K Fun Run
- Hog Town Run
- Brown City Robotics Team
- Goodtimers
- Yale Schools
- Peck Summer Recreation
- North Branch Harvest Festival
- Brown City Methodist Church
- Kingston Youth Athletic Program
- North Branch Summer Recreation
- Peck Schools
- Mid Thumb Bowman Youth Archery League
- Marlette Schools
- Yale Lions Club
- Brown City Summer Recreation
- North Branch Schools
- Sandusky School Project Graduation
- North Branch Knights of Columbus
- Capac Schools
- Mission of Hope
- Tuscola County Dinner on the Farm
- Peck Summer Festival
- Kingston Schools
- North Branch Athletic Boosters
- Romeo Chamber of Commerce
- Sandusky Summer Festival
- Marlette Project Graduation
- Almont Schools
- Armada Educational Foundation
- Yale Bologna Festival
- Almont Athletic Boosters
- Sanilac County Dairy Banquet
- Imlay City Schools
- Samaritan House
- Capac Youth Baseball League
- Fellowship Bible Church
- Sandusky Schools
- Romeo Peach Festival
- Capac STEAM Project
- Emmett Little League

EMPLOYEE MILESTONES



Peggy Kalbfleisch
25 YEARS



Tammy Martus
25 YEARS



Shelley Young
25 YEARS



Maria Fleisher
20 YEARS



Blair Christner
15 YEARS



Lori Glinski
10 YEARS



Rachelle Pracht
10 YEARS



Rebecca Balmer
5 YEARS



Gavin Frederick
5 YEARS



Cathy Render
5 YEARS

Thank you
for your
hard work
and dedication!



Chad Stoldt
5 YEARS

TRI-COUNTY BANK MANAGEMENT

Michael A. Ford*President, Chief Executive Officer*
Vonda Zuhlke.....*EVP, Chief Operations Officer, Information Security Officer*
Mark Shadley.....*SVP, ERM Officer, Chief Lending Officer*
Michael G. Boushelle.....*SVP, Chief Financial Officer*
Joseph Worden.....*SVP, Business Development Officer*
Blair Christner.....*VP, Branch Administrator*
Frederick Manuilow.....*VP, Commercial, Agricultural Loan Officer*
Jennifer Vanecek*VP, Senior Mortgage Lender*
Paul Burgess.....*VP, Sr. Agricultural Loan Officer, Security Officer*
Kendra Jickling.....*VP, Marlette Manager*
Kimberly Hurley*VP, Romeo Manager*
Kelly Wood.....*SVP, Controller, Human Resource Manager*
Eric Bucklew.....*VP, Information Technology Officer*
Peggy Kalbfleisch.....*VP, BSA/OFAC/AML/CIP Officer*
Maria Fleisher.....*VP, Assistant Chief Operations Officer*
Chad Stoldt*AVP, Commercial Loan Officer*
Gavin Frederick.....*AVP, Commercial, Agricultural Loan Officer, Credit Anylyst*
Jenny Gingell*Brown City Branch Manager*
Louann Krzak.....*AVP, Yale Manager*
Sheryl Cribbins.....*AVP, Peck Manager*
Tara Gordon*AVP, Almont Manager*
Karen Crews.....*AVP, Loan Documentation Manager*
Abigail Hunter.....*AVP, Compliance Officer, IRA/HSA Administrator*
Lori King*Kingston Manager*
Cara Schwartz.....*Imlay City Manager*
Jill Bahrke*North Branch Manager*
Matt Voydanoff.....*Capac Manager*
MaryLou Jacobs.....*Collections Manager*
Emily Losinski.....*Auditor*
Jolene Harding.....*FHLMC Custodial Accounting*

LOCATIONS

