



MIDDLEBURY OFFICERS

D. Joe Caffee	President & CEO
Sam H. Hoover III	Exec. Vice President & COO
Michael D. Weaver	Exec. Vice President & CLO
Jared E. Sponseller	Senior Vice President & CFO
Dean R. Miller	Senior Vice President
Randall D. Miller	Senior Vice President
Lance T. Weirich	Senior Vice President
Darla K. Kauffman	Vice President
Jon E. Miller	Vice President
James L. Neff	Vice President
Eric J. Romzek	Vice President
Sue Ann Von Blon	Vice President
Samuel E. Weirich III	Vice President
Julie W. Whitehead	Vice President
Casey I. Zitkus	Assistant Vice President & Controller
Jessica E. Hamood	Assistant Vice President
Kirsten T. King	Assistant Vice President
Amyian M. Freeto	Banking Officer
Debbie L. Gordon	Banking Officer
Ian E. King	Banking Officer
Tessa A. Trigg	Banking Officer
Rebecca L. Yoder	Banking Officer

BOARD OF DIRECTORS

R. Gordon Lord	Chairman of the Board, Attorney, Yoder, Ainlay, Ulmer & Buckingham
D. Joe Caffee	President and CEO, First State Bank and CVFC
James G. Hiatt	Retired President & CEO, First State Bank and CVFC
Sam H. Hoover III	Exec. Vice President & COO, First State Bank and CVFC
Derald L. Bontrager	Retired President, Jayco, Inc.
Carl D. Eash	Retired Business Owner and Real Estate Investor
John W. Gardner	Trustee, Bethel University
Cynthia S. Gillard	Partner, Warrick & Boyn LLP
Joe A. Smucker	President, Parkland Plastics Inc.
Kip B. Ellis	Exec. Vice President & COO, Patrick Industries, Inc.
Anne F. Hayes	President, Hayes Towers

GOSHEN OFFICERS

Brent L. Carrick	Senior Vice President
Louis W. Gerber	Vice President & CCO
Duane R. Miller	Vice President
Jeff D. Showalter	Vice President
Lynda L. Hershberger	Assistant Vice President
Peggy A. Guyas	Mortgage Officer

ELKHART OFFICERS

Sheila L. Gordy	Senior Vice President
Patrece D. Yates	Senior Vice President & Trust Officer
Duane S. Klein	Vice President
Shannon G. Klein	Vice President & Trust Officer
Nicholas B. Corpe	Assistant Vice President
Lori A. Faltynski	Assistant Vice President
Grace A. Carlson	Branch Operations Officer

SOUTH BEND OFFICERS

Dana D. Trowbridge	Senior Vice President
Elizabeth L. Groulx	Vice President
Mike L. Zappia	Vice President
Janice L. Sisti	Banking Officer

CRYSTAL VALLEY FINANCIAL CORPORATION

Despite the uncertainty of domestic financial markets and world events, Crystal Valley Financial Corporation is pleased to report a positive and consistent beginning to calendar year 2022. For the fifth consecutive year, first quarter earnings have topped \$2,000,000. Market disruption in the mortgage business due to higher rates drove sold loan income more than 50% lower than the first quarter of 2021. Loan fee income is sharply down from a year ago due to the Payroll Protection Program fees that were realized in the first quarter of last year. Thus, first quarter 2022 net income has decreased by 12.4% to just over \$2,300,000.

While interest rates continue their move upward, the bank has enjoyed 3.9% growth in net loans compared to a year ago. Our strong liquidity position has not necessitated an increase in deposit rates, bolstering our core source of earnings – net interest income – by 11% relative to the first quarter of 2021. On the balance sheet, market movement necessitated a market adjustment in our securities portfolio decreasing its value by nearly \$9.8 million. Our portfolio remains a top performer when compared to peer but did drive a decrease in book value per share to \$54.28.

Our board-approved share repurchase program again proved a valuable tool as we repurchased more than 12,500 shares from an estate. Leveraging our strong capital position to repurchase shares remains a viable option to enhance shareholder value while providing cash to shareholders desiring more liquidity. Please contact us if you would like to learn more.

The Board of Directors have approved a second quarter dividend in the amount of \$.41 per share for shareholders of record as of May 5, 2022 and payable on May 19, 2022. As of March 31, 2022, earnings per share were \$1.65.

Upward & Onward,

D. Joe Caffee, President & CEO



Statement of Condition



March 31, 2022

CRYSTAL VALLEY FINANCIAL CORPORATION

and its Principal Subsidiary

FIRST STATE | BANK

Statement of ConditionMarch 31, 2022 and 2021
Unaudited

	2022	2021
Assets		
Cash and Due from Banks	\$10,389,954	\$14,010,119
Interest Bearing Balance with Banks	40,060,698	68,300,157
Federal Funds Sold	884,189	65,380
Investment Securities	212,055,298	162,849,588
Federal Home Loan Bank Stock	2,702,900	2,734,100
Loans Gross	473,496,302	456,540,927
Less: Allowance for Loan Losses	-6,501,942	-6,352,717
Deferred Loan Fees	-86,878	-990,492
Net Loans	466,907,482	449,197,718
Premises and Equipment	5,621,389	3,756,726
Accrued Interest Receivable	2,494,140	2,125,121
CSV - Life Insurance	12,286,097	11,956,254
Other Assets	8,807,946	1,033,098
Total Assets	\$762,210,093	\$716,028,261
Liabilities and Shareholders Equity		
Liabilities		
Non-Interest Bearing Demand	\$161,383,904	\$151,142,292
Interest Bearing Demand	207,231,329	176,509,047
Savings	174,225,965	137,880,924
Time Under \$100,000	28,091,835	31,345,964
Time \$100,000 and over	59,953,947	67,490,427
Total Deposits	630,886,980	564,368,654
Loan Payable	40,423,089	55,757,609
Repurchase Agreements	5,447,251	4,793,716
Accrued Interest Payable	148,272	195,999
Other liabilities	8,460,055	7,310,987
Total Liabilities	\$685,365,647	\$632,426,965
Shareholders Equity		
Common Stock	\$2,048,000	\$2,048,000
Surplus	2,179,382	2,179,382
Retained Earnings	98,810,990	89,700,929
Treasury Stock	-15,391,124	-14,081,105
Net Unrealized Gain (Loss) on Securities	-10,802,802	3,754,090
Total Shareholder Equity	\$76,844,446	\$83,601,296
Total Liabilities and Shareholder Equity	\$762,210,093	\$716,028,261
Book Value Per Share	\$54.28*	\$57.71**

* 2022 - Based on 1,415,638 shares outstanding
** 2021 - Based on 1,448,747 shares outstanding

Statement of IncomeThree Months Ended March 31, 2022 and 2021
Unaudited

	2022	2021
Interest Income		
Interest and Fees on Loans	\$5,343,111	\$6,039,779
Interest on B.A.'s & Deposits with Banks	11,144	17,417
Interest on Investment Securities	1,213,693	772,112
Other Interest & Dividend Income	20,808	19,807
Total Interest Income	\$6,588,756	\$6,849,115
Interest Expense		
Interest on Deposits	\$408,807	\$473,537
Interest on FF Purchased/Repos	1,857	1,947
Interest on Other Borrowed Funds	125,509	192,383
Total Interest Expense	\$536,173	\$667,867
Net Interest Income	\$6,052,583	\$6,181,248
Provision for Loan Losses	30,000	150,000
Net Interest Income After Provision for Loan Losses	\$6,022,583	\$6,031,248
Other Income		
Service Charges on Deposit Accounts	\$93,267	\$77,628
Other Service Charges, Commissions, Fees	397,337	371,373
Trust Income	324,901	314,097
Gain (Loss) on Sales of Securities	25,762	194,602
Gain (Loss) on Sales of Loans	191,828	625,131
Gain (Loss) on Other Real Estate	0	-138,999
Other Income	92,512	95,180
Total Other Income	\$1,125,607	\$1,539,012
Other Expenses		
Salaries and Employee Benefits	\$2,470,363	\$2,596,722
Occupancy Expense	324,329	290,710
Equipment and Processing	583,848	505,832
Postage & Supplies	63,197	78,539
Legal & Accounting	82,989	83,806
Advertising & Public Relations	167,644	137,558
FDIC Assessment	52,197	43,018
Other Expenses	753,984	693,091
Total Other Expenses	\$4,498,551	\$4,429,276
Income Before Taxes	\$2,649,639	\$3,140,984
Provision for Income Taxes	308,279	467,034
Net Income	\$2,341,360	\$2,673,950
Earnings Per Common Share	\$1.65*	\$1.84**

* 2022 - Based on 1,423,035 average shares outstanding
** 2021 - Based on 1,451,894 average shares outstanding