

LEADERSHIP TEAM

DIRECTORS

CHAIRMAN

Peter S. Paine, Jr.

VICE CHAIRMEN

*Roderic G. Giltz
Vincent McClelland*

DIRECTORS

*Matthew T. Boire
Kevin M. Brady
Steven G. Cacchio
Alice E. Cole
Haydn B. Cole
William H. Kissel
Deena G. McCullough
Peter S. Paine III
Jay Winthrop*

OFFICERS

PRESIDENT AND CEO

Steven G. Cacchio

SENIOR VICE PRESIDENTS

*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*

OFFICERS

*Amanda L. Brewer
Brittany L. Faubert
Lori E. Hebert
Ralitsa N. Livermore
Desiree A. Maze
Cynthia J. Monty
Melanie A. Porter
Lena J. Robetoy
Medara R. Sherman
Taylor R. Sousa*

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

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



Champlain Bank Corporation

2023 Annual Report



To Our Stockholders and Friends:

As I reflect on 2023, it gives me great pleasure to report on Champlain Bank Corporation's solid year despite a particularly challenging operating environment.

We were able to post net income of \$3.2 million for the year ended December 31, 2023. Several rate increases by the Federal Reserve Bank during the year resulted in a reduction of our net interest margin by an additional 30 basis points from December 2022 to December 2023, impacting earnings.

Total Assets grew 2.6% over last year, ending 2023 at \$473 million. Our loan pipeline remained strong throughout the year. Total loans grew by \$21.8 million or 7.4%. This growth was centered in our commercial real estate portfolio. Our Leverage Capital Ratio continues to be well above regulatory requirements and ended the year at 10.14%.

Early in the year, the environment became more difficult when the industry experienced three significant regional bank failures. This provided us the opportunity to communicate the difference between Champlain National Bank as a community bank and those large regional banks having issues.

Given our well diversified loan portfolio, strong asset quality and capital position we will successfully navigate through another challenging year with continued margin compression, and economic and geopolitical uncertainty.

We remain committed to our communities. In 2023 we received an "Outstanding" rating in our Community Reinvestment Act (CRA) evaluation. This measures a bank's record of meeting the needs of the communities it serves and is the highest rating available.

I would like to welcome Haydn Cole to our Board of Directors. Haydn joined the board in December 2023. He adds additional strength and perspective to our Board of Directors, and we look forward to his service.

After serving as your Board Chair for the last four decades, I will be stepping down from that role in June 2024 but look forward to remaining on the board through the end of my term. I am pleased to announce my cousin, Alice Cole, and a member of our board since 2005 will assume the role. She will be the fourth Paine to be Chair in Champlain National Bank's history.

As your local community bank, we take pride in our business model of building long-term relationships and trust with our customers. On behalf of all our team members, thank you for your continued support of your company.

Should you have any questions on our audited financial statements, 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 21, 2024, at the Executive Offices of our Willsboro location.

Sincerely,

Peter S. Paine, Jr.
Chairman

CHAMPLAIN BANK CORPORATION

CONSOLIDATED BALANCE SHEETS

(In thousands)	December 31	
	2023	2022
ASSETS		
Cash on hand and due from banks	\$ 5,775	\$ 6,492
Federal funds sold	133	190
Securities available for sale (at market)	116,274	124,968
Securities held to maturity (at amortized cost)	3,376	3,328
Loans, net of reserve for loan losses	319,045	297,175
Stock in Federal Reserve Bank and Federal Home Loan Bank	1,687	1,513
Bank premises and equipment, net	4,088	4,146
Other assets	22,257	22,831
Total assets	\$ 472,635	\$ 460,643

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities		
Deposits	\$ 368,340	\$ 403,083
Borrowed funds	65,800	22,900
Reserve for dividend	132	132
Other liabilities	11,482	10,707
Total liabilities	445,754	436,822
Stockholders' Equity		
Capital stock	28	28
Surplus	1,071	1,071
Undivided profits	48,750	45,065
Accumulated other comprehensive income (loss)	(21,549)	(20,934)
Treasury stock	(1,419)	(1,409)
Total stockholders' equity	26,881	23,821
Total liabilities and stockholders' equity	\$ 472,635	\$ 460,643

CONSOLIDATED STATEMENTS OF INCOME

(In thousands except share and per share data)	December 31	
	2023	2022
Interest income	\$ 19,027	\$ 16,116
Interest expense	4,645	639
Net interest income	14,382	15,477
(Credit) provision for credit losses	122	0
Net interest income after provision for credit losses	14,260	15,477
Non interest income	2,189	2,415
Non interest expense	12,542	11,767
Net income before taxes	3,907	6,125
Income tax expense	676	1,151
Net income	\$ 3,231	\$ 4,974

PER SHARE DATA

Income per average share	\$ 134.48	\$ 206.97
Average shares outstanding	24,027	24,033
Book value adjusted for other comprehensive loss - period end	\$ 2,015.74	\$ 1,862.36

OTHER DATA

Loan to deposit ratio	86.62%	73.73%
Tier 1 leverage ratio	10.14%	9.56%
Return on average assets	0.69%	1.07%
Return on average equity	13.04%	16.78%
Reserve for loan loss to loans	1.07%	1.63%