



## “Trinity Bank was Built for Times Like These.”

We are pleased to provide this brief monthly update to inform you about your bank's safety and to address the recent confusion in the banking world. We will continue to keep you updated monthly.

**Liquidity** – As of 06/30/2023, cash at the Federal Reserve Bank or “**Overnight Money**” has increased slightly to \$17,885,000.

In addition, we could sell \$43,250,000 in securities with **NO** reduction in Capital or impact to Net Income.

Therefore, we could create liquidity (to fund deposit withdrawals) of \$61,000,000 with no impact to Capital or Net Income. This would represent over 15% of our total deposits.

**Additional Liquidity** – We could sell our entire bond portfolio, at current prices, to generate an additional \$87,350,000 in liquidity.

The sale would generate only a (\$5,095,000) reduction in the bank’s Net Income. In this worst-case scenario, **the bank would remain profitable and be well above the minimum capital requirements.**

We also have access to \$32,500,000 in the form of three lines of credit we maintain with the Fed as well as two other financial institutions. We tested one of those lines for 1 day in May and it performed as expected.

This would create total liquidity of \$193,000,000 that would represent over 48% of our total deposits.

**Capital** increased due to the unaudited \$653,000 net income we produced in June.

**Deposits** have increased slightly at \$401,000,000. Keep in mind that historically, our low point in deposits each year is always April-May due to IRS payments.

(000's)	April 30, 2023	May 31, 2023	June 30, 2023
Overnight Money	\$ 22,500	\$ 17,000	\$ 17,885
Liquidity	\$ 181,600	\$ 181,680	\$ 193,000
Reduction in Capital	\$ (4,099)	\$ (6,085)	\$ (5,095)
Capital	\$ 49,144	\$ 49,776	\$ 50,425
Deposits	\$ 392,000	\$ 397,000	\$ 401,000

**Trinity Bank is built for difficult times, and we’ve seen them before.** But unlike some banks, we are well positioned for them and anticipate picking up new relationships as other banks are forced to tighten their lending standards.

*\*Securities were priced as of 06/30/2023.*