Consolidated Balance Sheet

ASSETS					(Unaudited) Jun 2015	Jun 2014
Cash and due from banks						
Non-Interest Bearing					$12,723,546	$13,512,290
Interest Bearing					$12,413,075	$16,004,104
Federal funds sold					$0	$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
book value of 2015	$65,591,450	2014	$67,304,417		67,110,331	68,604,391
Obligations of state and politial subdivisions						
book value of 2015	$115,744,644	2014	$111,448,166		121,133,454	119,478,217
Other Debt Securities						
book value of 2015	$2,286,600	2014	$2,036,600		2,286,600	2,286,600
Loans held for sale					753,000	0
Loans					392,156,859	380,819,794
Less: Allowance for loan loss					(6,162,006)	(6,449,341)
					385,994,853	374,370,453
Bank premises and equipment, net					17,989,584	17,088,455
Accrued interest receivable					2,899,431	2,804,220
Cash Flow assets					20,138,102	18,695,060
Foreclosed assets					2,128,696	3,634,455
Bank-owned life insurance					10,914,803	10,610,635
Other assets					8,663,192	7,936,174
Total Assets					**$665,148,666**	**$655,025,056**
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Noninterest bearing deposits					$136,013,513	$131,985,183
Savings and interest bearing deposits					245,690,708	221,849,454
Certificates of deposits					188,813,435	201,778,104
Total deposits					570,517,656	555,612,740
Federal funds purchased, FHLB Daily & Term borrowing					10,000,000	10,000,000
Accrued interest payable					$104,744	$177,188
Other liabilities					6,115,417	6,270,639
Notes payable & TruPS					5,474,637	15,924,603
Total liabilities					592,212,454	587,985,170
Commitments						
Shareholders' equity						
Preferred stock, par value $1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					19,688,960	19,668,696
Common stock, non-voting					0	0

	voting		non-voting	
	06-15	06-14	05-15	05-14
Shares auth	4,800,000	4,800,000	635,000	635,000
Shares o/s *	4,018,472	3,965,479	0	0

*includes 80,680 in nonvested shares

Paid in capital	565,664	151,294
Unrealized gains/(losses) on securities available for sale	4,559,076	5,333,119
Unearned ESOP shares	(138,400)	(276,800)
Retained earnings	48,260,912	42,163,577
Total shareholders' equity	72,936,212	67,039,886
Total liabilities and shareholders' equity	**$665,148,666**	**$655,025,056**

**See accompanying notes to consolidated financial statements



Consolidated Balance Sheet

(Unaudited)

ASSETS	June 2015	December 2014
Cash and due from banks		
Non-Interest Bearing	$12,723,546	$13,677,321
Interest Bearing	$12,413,075	$12,987,575
Federal funds sold	$0	$0
Securities available for sale:		
U.S. Government agencies & Other MBS		
book value of 2015 $65,591,450 2014 $66,439,627	67,110,331	67,766,671
Obligations of state and politial subdivisions		
book value of 2015 $115,744,644 2014 $114,454,446	121,133,454	122,532,572
Other Debt Securities		
book value of 2015 $2,286,600 2014 $2,286,600	2,286,600	2,286,600
Loans held for sale	753,000	150,000
Loans	392,156,859	391,670,201
Less: Allowance for loan loss	(6,162,006)	(6,365,886)
	385,994,853	385,304,316
Bank premises and equipment, net	17,989,584	17,256,039
Accrued interest receivable	2,899,431	2,922,375
Cash Flow assets	20,138,102	17,185,969
Foreclosed assets	2,128,696	2,701,337
Bank-owned life insurance	10,914,803	10,764,759
Other assets	8,663,192	7,650,698
Total Assets	**$665,148,666**	**$663,186,230**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Noninterest bearing deposits	$136,013,513	$126,017,403
Savings and interest bearing deposits	245,690,708	248,007,401
Certificates of deposits	188,813,435	188,696,300
Total deposits	570,517,656	562,721,104
Federal funds purchased, FHLB Daily & Term borrowing	10,000,000	10,000,000
Accrued interest payable	$104,744	$148,264
Other liabilities	6,115,417	9,006,946
Notes payable & TruPS	5,474,637	10,700,339
Total liabilities	592,212,454	592,576,654
Commitments		
Shareholders' equity		
Preferred stock, par value $1 per share; authorized		
50,000 shares; none outstanding	0	0
Common stock, voting	19,688,960	19,682,730
Common stock, non-voting	0	0

	voting		non-voting	
	06-15	12-14	06-15	12-14
Shares auth	4,800,000	4,800,000	635,000	635,000
Shares o/s	4,018,472	3,985,926	0	0

Paid in capital	565,664	389534.28
Unrealized gains/(losses) on securities available for sale	4,559,076	6,207,410
Unearned ESOP shares	(138,400)	(138,400)
Retained earnings	48,260,912	44,468,302
Total shareholders' equity	72,936,212	70,609,577
Total liabilities and shareholders' equity	**$665,148,666**	**$663,186,230**

**See accompanying notes to consolidated financial statements



Consolidated Statements of Earnings

(Unaudited)

	Three Months Ended	
	Jun 2015	**Jun 2014**
Interest Income		
Interest and fees on loans	$5,090,332	$5,014,349
Interest on federal funds sold	0	0
Interest on time deposits with banks & other	3,900	4,045
Interest on U.S. Agency Obligations & MBS	568,802	580,851
Interest on obligations of state and political subs	1,014,642	968,007
Total interest income	6,677,675	6,567,253
Interest Expense		
Interest on savings and interest bearing deposits	159,544	143,353
Interest on certificates of deposits	645,420	589,964
Interest on federal funds purchased	0	0
Other interest expense	110,885	153,859
Total interest expense	915,849	887,176
Net interest income	5,761,826	5,680,077
Provision for loan losses	72,498	150,000
Net interest income after provision for loan losses	5,689,328	5,530,077
Noninterest Income		
Income from fiduciary activities	622,938	622,829
Service charges on deposit accounts	327,910	281,241
Securities gains (losses)-net	281,850	0
Net other-than-temporary impairment losses	($66,678)	($87,965)
Merchant card income	1,913,686	1,308,836
ATM income	302,347	297,310
Cash Flow income	727,576	700,960
Other income	895,891	1,020,978
Total noninterest income	5,005,519	4,144,189
Noninterest Expense		
Salaries	2,717,042	2,966,313
Employee benefits	613,029	541,415
Occupancy expenses	686,181	607,051
Net gain (loss)on other real estate owned	167,343	191,325
Merchant card expense	1,198,567	662,004
ATM expense	207,928	165,961
Cash Flow expense	75,000	100,000
Other expenses	2,288,678	2,164,789
Total noninterest expense	7,953,769	7,398,859
Income before income taxes	2,741,078	2,275,408
Income taxes	544,583	374,257
Net income	**$2,196,495**	**$1,901,151**
Earnings per share, primary	$0.549	$0.482
Earnings per share, assuming dilution	$0.538	$0.473
Dividends per share	$0.113	$0.113

***See accompanying notes to consolidated financial statements.



Consolidated Statements of Earnings

(Unaudited)

	Six Months Ended	
	Jun 2015	**Jun 2014**
Interest Income		
Interest and fees on loans	$10,177,226	$10,077,798
Interest on federal funds sold	0	0
Interest on time deposits with banks & other	7,842	10,386
Interest on U.S. Agency Obligations & MBS	1,154,090	1,078,002
Interest on obligations of state and political subs	2,031,342	1,904,793
Total interest income	13,370,499	13,070,979
Interest Expense		
Interest on savings and interest bearing deposits	310,990	299,474
Interest on certificates of deposits	1,207,689	1,192,014
Interest on federal funds purchased	0	0
Other interest expense	229,489	308,011
Total interest expense	1,748,169	1,799,498
Net interest income	11,622,330	11,271,481
Provision for loan losses	144,996	300,000
Net interest income after provision for loan losses	11,477,334	10,971,481
Noninterest Income		
Income from fiduciary activities	1,166,957	1,164,576
Service charges on deposit accounts	638,631	559,606
Securities gains (losses)-net	571,924	46,237
Net other-than-temporary impairment losses	($115,688)	($159,277)
Merchant card income	2,873,587	2,266,407
ATM income	566,593	567,681
Cash Flow income	1,426,440	1,508,864
Other income	2,790,856	1,686,884
Total noninterest income	9,919,301	7,640,978
Noninterest Expense		
Salaries	5,596,127	5,898,075
Employee benefits	1,408,559	1,217,481
Occupancy expenses	1,425,100	1,289,930
Net gain (loss)on other real estate owned	170,275	261,756
Merchant card expense	1,769,802	1,198,945
ATM expense	363,541	324,315
Cash Flow expense	150,000	250,000
Other expenses	4,431,325	4,224,344
Total noninterest expense	15,314,729	14,664,846
Income before income taxes	6,081,906	3,947,614
Income taxes	1,241,563	742,893
Net income	**$4,840,343**	**$3,204,721**
Earnings per share, primary	$1.214	$0.813
Earnings per share, assuming dilution	$1.190	$0.797
Dividends per share	$0.225	$0.225

***See accompanying notes to consolidated financial statements.