



Consolidated Balance Sheet

					(Unaudited)			
ASSETS					Dec 2016	Dec 2015		
Cash and due from banks								
Non-Interest Bearing					\$11,360,272	\$11,734,624		
Interest Bearing					\$1,450,456	\$3,069,202		
Federal funds sold					\$0	\$0		
Securities available for sale:								
U.S. Government agencies & Other MBS								
	book value of 2016	\$54,658,546	2015	\$63,101,580	56,010,833	64,671,951		
Obligations of state and political subdivisions								
	book value of 2016	\$126,457,719	2015	\$114,778,860	129,005,492	121,700,434		
Other Debt Securities								
	book value of 2016	\$3,189,500	2015	\$2,677,400	3,192,253	2,677,400		
Loans held for sale					405,000	578,000		
Loans					453,427,637	412,892,651		
Less: Allowance for loan loss					(5,009,817)	(5,488,068)		
					448,417,820	407,404,583		
Bank premises and equipment, net					18,664,790	18,724,375		
Accrued interest receivable					3,059,328	2,737,675		
Cash Flow assets					26,151,356	24,338,473		
Foreclosed assets					1,286,400	2,078,493		
Bank-owned life insurance					11,371,147	11,069,462		
Other assets					10,385,633	8,273,480		
Total Assets					\$720,760,780	\$679,058,152		
LIABILITIES AND SHAREHOLDERS' EQUITY								
Deposits								
Noninterest bearing deposits					\$144,458,129	\$138,987,307		
Savings and interest bearing deposits					278,422,884	253,318,726		
Certificates of deposits					186,849,123	173,246,698		
Total deposits					609,730,137	565,552,731		
Federal funds purchased, FHLB Daily & Term borrowing					20,852,000	25,803,000		
Accrued interest payable					\$129,386	\$104,188		
Other liabilities					6,889,783	6,238,610		
Notes payable & TruPS					5,253,571	5,402,464		
Total liabilities					642,854,877	603,100,993		
Commitments								
Shareholders' equity								
Preferred stock, par value \$1 per share; authorized								
50,000 shares; none outstanding					0	0		
Common stock, voting					19,873,415	19,771,365		
Common stock, non-voting					0	0		
		voting	non-voting					
		12-16	12-15	12-16	12-15			
Shares auth					4,800,000	4,800,000	635,000	635,000
Shares o/s *					4,027,276	4,015,233	0	0
*includes 52,593 in nonvested shares								
Paid in capital					1,133,078	834,401		
Unrealized gains/(losses) on securities available for sale					2,575,857	5,604,683		
Unearned ESOP shares					0	0		
Retained earnings					54,323,553	49,746,710		
Total shareholders' equity					77,905,903	75,957,159		
Total liabilities and shareholders' equity					\$720,760,780	\$679,058,152		

**See accompanying notes to consolidated financial statements

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Consolidated Statements of Earnings

(Unaudited)

Three Months Ended

	Dec 2016	Dec 2015
Interest Income		
Interest and fees on loans	\$5,505,508	\$5,285,022
Interest on federal funds sold	41	0
Interest on time deposits with banks & other	449	4,313
Interest on U.S. Agency Obligations & MBS	465,527	532,614
Interest on obligations of state and political subs	1,031,869	999,441
Total interest income	7,003,394	6,821,390
Interest Expense		
Interest on savings and interest bearing deposits	203,975	154,385
Interest on certificates of deposits	516,262	528,421
Interest on federal funds purchased	0	0
Other interest expense	122,095	118,724
Total interest expense	842,332	801,530
Net interest income	6,161,062	6,019,861
Provision for loan losses	62,499	83,847
Net interest income after provision for loan losses	6,098,563	5,936,014
Noninterest Income		
Income from fiduciary activities	534,448	524,546
Service charges on deposit accounts	291,601	347,839
Securities gains (losses)-net	(10,472)	281,561
Net other-than-temporary impairment losses	(\$4,004)	(\$249,063)
Merchant card income	2,718,474	2,108,009
ATM income	321,753	316,074
Cash Flow income	819,638	825,019
Other income	1,226,920	722,811
Total noninterest income	5,898,359	4,876,797
Noninterest Expense		
Salaries	4,411,830	4,124,792
Employee benefits	858,425	1,146,876
Occupancy expenses	835,411	812,624
Net gain (loss) on other real estate owned	187,694	79,072
Merchant card expense	1,817,538	1,421,074
ATM expense	234,306	160,731
Cash Flow expense	24,999	0
Other expenses	2,223,074	2,245,276
Total noninterest expense	10,593,278	9,990,445
Income before income taxes	1,403,644	822,366
Income taxes	28,760	(90,943)
Net income	\$1,374,884	\$913,309
Earnings per share, primary	\$0.342	\$0.228
Earnings per share, assuming dilution	\$0.334	\$0.223
Dividends per share	\$0.125	\$0.120

***See accompanying notes to consolidated financial statements.

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Consolidated Statements of Earnings

(Unaudited)

Twelve Months Ended

	Dec 2016	Dec 2015
Interest Income		
Interest and fees on loans	\$21,840,541	\$20,552,863
Interest on federal funds sold	43	20
Interest on time deposits with banks & other	9,910	16,109
Interest on U.S. Agency Obligations & MBS	2,023,739	2,201,317
Interest on obligations of state and political subs	4,015,142	4,030,393
Total interest income	27,889,375	26,800,702
Interest Expense		
Interest on savings and interest bearing deposits	772,526	625,863
Interest on certificates of deposits	2,139,186	2,294,411
Interest on federal funds purchased	0	0
Other interest expense	528,700	457,645
Total interest expense	3,440,412	3,377,919
Net interest income	24,448,963	23,422,782
Provision for loan losses	549,996	241,341
Net interest income after provision for loan losses	23,898,967	23,181,441
Noninterest Income		
Income from fiduciary activities	2,273,869	2,223,701
Service charges on deposit accounts	1,185,248	1,319,600
Securities gains (losses)-net	262,418	1,186,691
Net other-than-temporary impairment losses	(\$150,550)	(\$535,764)
Merchant card income	9,668,166	7,207,155
ATM income	1,282,271	1,180,500
Cash Flow income	3,165,219	3,085,960
Other income	3,705,246	4,440,724
Total noninterest income	21,391,887	20,108,567
Noninterest Expense		
Salaries	14,548,958	13,322,063
Employee benefits	3,297,915	3,314,640
Occupancy expenses	3,008,980	3,010,836
Net gain (loss) on other real estate owned	383,382	267,171
Merchant card expense	6,364,847	4,652,863
ATM expense	775,870	666,157
Cash Flow expense	99,996	225,000
Other expenses	8,628,472	8,946,230
Total noninterest expense	37,108,419	34,404,959
Income before income taxes	8,182,435	8,885,049
Income taxes	1,156,035	1,480,709
Net income	\$7,026,400	\$7,404,340
Earnings per share, primary	\$1.747	\$1.854
Earnings per share, assuming dilution	\$1.709	\$1.817
Dividends per share	\$0.490	\$0.465

***See accompanying notes to consolidated financial statements.

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