



Consolidated Balance Sheet

					(Unaudited)	
ASSETS					Mar 2016	Mar 2015
Cash and due from banks						
Non-Interest Bearing					\$12,405,432	\$13,227,600
Interest Bearing					\$9,441,187	\$4,100,286
Federal funds sold					\$0	\$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
book value of 2016	\$57,661,952	2015	\$65,184,766		59,099,243	67,011,022
Obligations of state and political subdivisions						
book value of 2016	\$115,786,078	2015	\$115,664,545		123,115,965	123,862,382
Other Debt Securities						
book value of 2016	\$2,903,700	2015	\$2,286,600		2,903,700	2,286,600
Loans held for sale					1,034,398	216,411
Loans					425,801,627	401,381,647
Less: Allowance for loan loss					(5,078,547)	(6,155,918)
					420,723,081	395,225,729
Bank premises and equipment, net					18,416,121	17,431,784
Accrued interest receivable					2,558,337	2,575,531
Cash Flow assets					22,613,019	17,625,934
Foreclosed assets					1,835,736	2,698,405
Bank-owned life insurance					11,144,313	10,840,363
Other assets					7,456,569	6,030,515
Total Assets					\$692,747,102	\$663,132,562
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Noninterest bearing deposits					\$149,483,795	\$131,689,590
Savings and interest bearing deposits					258,599,999	245,067,230
Certificates of deposits					171,150,724	188,186,282
Total deposits					579,234,518	564,943,102
Federal funds purchased, FHLB Daily & Term borrowing					25,000,000	13,743,000
Accrued interest payable					\$108,368	\$127,108
Other liabilities					5,476,551	5,564,161
Notes payable & TruPS					5,365,816	5,510,170
Total liabilities					615,185,253	589,887,541
Commitments						
Shareholders' equity						
Preferred stock, par value \$1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					19,750,655	19,709,635
Common stock, non-voting					0	0
	voting	non-voting				
	03-16	03-15	03-16	03-15		
Shares auth	4,800,000	4,800,000	635,000	635,000		
Shares o/s *	4,011,091	3,991,307	0	0		
*includes 60,960 in nonvested shares						
Paid in capital					824,526	460,780
Unrealized gains/(losses) on securities available for sale					5,786,338	6,615,901
Unearned ESOP shares					0	(138,400)
Retained earnings					51,200,331	46,597,105
Total shareholders' equity					77,561,850	73,245,021
Total liabilities and shareholders' equity					\$692,747,102	\$663,132,562

**See accompanying notes to consolidated financial statements

Page 1



Consolidated Balance Sheet

(Unaudited)

ASSETS					March 2016	December 2015
Cash and due from banks						
Non-Interest Bearing					\$12,405,432	\$11,734,624
Interest Bearing					\$9,441,187	\$3,069,202
Federal funds sold					\$0	\$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
book value of 2016	\$57,661,952	2015	\$63,101,580		59,099,243	64,671,951
Obligations of state and political subdivisions						
book value of 2016	\$115,786,078	2015	\$114,778,860		123,115,965	121,700,434
Other Debt Securities						
book value of 2016	\$2,903,700	2015	\$2,677,400		2,903,700	2,677,400
Loans held for sale					1,034,398	578,000
Loans					425,801,627	412,892,651
Less: Allowance for loan loss					(5,078,547)	(5,488,068)
					420,723,081	407,404,583
Bank premises and equipment, net					18,416,121	18,724,375
Accrued interest receivable					2,558,337	2,737,675
Cash Flow assets					22,613,019	24,338,473
Foreclosed assets					1,835,736	2,078,493
Bank-owned life insurance					11,144,313	11,069,462
Other assets					7,456,569	8,273,480
Total Assets					\$692,747,102	\$679,058,152
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Noninterest bearing deposits					\$149,483,795	\$138,987,307
Savings and interest bearing deposits					258,599,999	253,318,726
Certificates of deposits					171,150,724	173,246,698
Total deposits					579,234,518	565,552,731
Federal funds purchased, FHLB Daily & Term borrowing					25,000,000	25,803,000
Accrued interest payable					\$108,368	\$104,188
Other liabilities					5,476,551	6,238,610
Notes payable & TruPS					5,365,816	5,402,464
Total liabilities					615,185,253	603,100,993
Commitments						
Shareholders' equity						
Preferred stock, par value \$1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					19,750,655	19,771,365
Common stock, non-voting					0	0
	voting	non-voting				
	03-16	12-15	03-16	12-15		
Shares auth	4,800,000	4,800,000	635,000	635,000		
Shares o/s*	4,011,091	4,003,653	0	0		
*includes 60,960 in nonvested shares						
Paid in capital					824,526	834,401.21
Unrealized gains/(losses) on securities available for sale					5,786,338	5,604,683
Unearned ESOP shares					0	0
Retained earnings					51,200,331	49,746,710
Total shareholders' equity					77,561,850	75,957,159
Total liabilities and shareholders' equity					\$692,747,102	\$679,058,152

**See accompanying notes to consolidated financial statements

Page 2



Consolidated Statements of Earnings

(Unaudited)

Three Months Ended

	Mar 2016	Mar 2015
Interest Income		
Interest and fees on loans	\$5,344,144	\$5,086,894
Interest on federal funds sold	0	0
Interest on time deposits with banks & other	4,115	3,942
Interest on U.S. Agency Obligations & MBS	526,619	585,288
Interest on obligations of state and political subs	983,064	1,016,700
Total interest income	6,857,942	6,692,824
Interest Expense		
Interest on savings and interest bearing deposits	170,952	151,446
Interest on certificates of deposits	471,970	562,269
Interest on federal funds purchased	0	0
Other interest expense	133,741	118,604
Total interest expense	776,663	832,320
Net interest income	6,081,279	5,860,504
Provision for loan losses	62,499	72,498
Net interest income after provision for loan losses	6,018,780	5,788,006
Noninterest Income		
Income from fiduciary activities	543,833	544,019
Service charges on deposit accounts	302,777	310,721
Securities gains (losses)-net	6,999	290,074
Net other-than-temporary impairment losses	(\$125,328)	(\$49,010)
Merchant card income	1,948,308	959,902
ATM income	301,480	264,246
Cash Flow income	812,524	698,865
Other income	667,715	1,894,966
Total noninterest income	4,458,307	4,913,783
Noninterest Expense		
Salaries	2,802,246	2,879,085
Employee benefits	864,280	795,530
Occupancy expenses	719,700	738,918
Net gain (loss) on other real estate owned	51,710	2,931
Merchant card expense	1,308,056	571,236
ATM expense	135,604	155,612
Cash Flow expense	24,999	75,000
Other expenses	2,165,964	2,142,647
Total noninterest expense	8,072,559	7,360,960
Income before income taxes	2,404,528	3,340,829
Income taxes	436,205	696,980
Net income	\$1,968,323	\$2,643,849
Earnings per share, primary	\$0.490	\$0.665
Earnings per share, assuming dilution	\$0.480	\$0.652
Dividends per share	\$0.120	\$0.113

***See accompanying notes to consolidated financial statements.

Page 3