



## Consolidated Balance Sheet

					(Unaudited)	
ASSETS					Sep 2016	Sep 2015
Cash and due from banks						
Non-Interest Bearing					\$12,911,682	\$13,604,773
Interest Bearing					\$9,107,990	\$7,225,820
Federal funds sold					\$654,000	\$0
Securities available for sale:						
U.S. Government agencies & Other MBS						
book value of 2016	\$53,544,969	2015	\$64,917,745		55,317,846	66,414,587
Obligations of state and political subdivisions						
book value of 2016	\$118,596,265	2015	\$114,849,136		126,687,046	121,109,293
Other Debt Securities						
book value of 2016	\$2,689,500	2015	\$2,286,600		2,689,500	2,286,600
Loans held for sale					945,490	0
Loans					448,577,339	394,774,785
Less: Allowance for loan loss					(4,818,355)	(5,585,760)
					443,758,984	389,189,026
Bank premises and equipment, net					18,089,233	18,838,837
Accrued interest receivable					2,544,931	2,419,519
Cash Flow assets					25,639,599	22,717,236
Foreclosed assets					1,346,984	2,106,193
Bank-owned life insurance					11,295,695	10,992,708
Other assets					7,932,707	8,873,409
<b>Total Assets</b>					<b>\$718,921,688</b>	<b>\$665,778,001</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
Deposits						
Noninterest bearing deposits					\$148,667,923	\$142,652,982
Savings and interest bearing deposits					268,531,223	243,727,134
Certificates of deposits					187,795,552	182,944,905
Total deposits					604,994,697	569,325,021
Federal funds purchased, FHLB Daily & Term borrowing					20,000,000	10,000,000
Accrued interest payable					\$117,332	\$107,585
Other liabilities					7,679,142	6,286,156
Notes payable & TruPS					5,291,374	5,438,736
Total liabilities					638,082,544	591,157,499
Commitments						
Shareholders' equity						
Preferred stock, par value \$1 per share; authorized						
50,000 shares; none outstanding					0	0
Common stock, voting					19,848,865	19,738,620
Common stock, non-voting					0	0
	voting		non-voting			
	09-16	09-15	09-16	09-15		
Shares auth	4,800,000	4,800,000	635,000	635,000		
Shares o/s *	4,022,366	4,008,684	0	0		
*includes 72,313 in nonvested shares						
Paid in capital					966,384	586,218
Unrealized gains/(losses) on securities available for sale					6,510,014	5,119,620
Unearned ESOP shares					0	(138,400)
Retained earnings					53,513,881	49,314,444
Total shareholders' equity					80,839,144	74,620,502
<b>Total liabilities and shareholders' equity</b>					<b>\$718,921,688</b>	<b>\$665,778,001</b>

\*\*See accompanying notes to consolidated financial statements





## Consolidated Statements of Earnings

(Unaudited)

### Three Months Ended

	Sep 2016	Sep 2015
<b>Interest Income</b>		
Interest and fees on loans	\$5,573,474	\$5,090,615
Interest on federal funds sold	1	20
Interest on time deposits with banks & other	2,459	3,955
Interest on U.S. Agency Obligations & MBS	482,820	514,613
Interest on obligations of state and political subs	1,004,351	999,610
Total interest income	7,063,105	6,608,812
<b>Interest Expense</b>		
Interest on savings and interest bearing deposits	202,534	160,488
Interest on certificates of deposits	652,267	558,300
Interest on federal funds purchased	0	0
Other interest expense	134,084	109,432
Total interest expense	988,885	828,221
Net interest income	6,074,220	5,780,592
Provision for loan losses	62,499	12,498
Net interest income after provision for loan losses	6,011,721	5,768,094
<b>Noninterest Income</b>		
Income from fiduciary activities	526,598	532,197
Service charges on deposit accounts	293,785	333,130
Securities gains (losses)-net	265,255	333,206
Net other-than-temporary impairment losses	(\$11,477)	(\$171,012)
Merchant card income	2,650,983	2,225,559
ATM income	334,607	297,832
Cash Flow income	739,198	834,500
Other income	1,116,666	927,057
Total noninterest income	5,915,614	5,312,470
<b>Noninterest Expense</b>		
Salaries	3,982,284	3,601,144
Employee benefits	827,831	759,206
Occupancy expenses	715,981	746,861
Net gain (loss) on other real estate owned	103,202	17,824
Merchant card expense	1,734,772	1,461,986
ATM expense	201,983	141,885
Cash Flow expense	24,999	75,000
Other expenses	2,220,475	2,295,879
Total noninterest expense	9,811,528	9,099,784
Income before income taxes	2,115,808	1,980,779
Income taxes	336,087	330,089
Net income	<b>\$1,779,721</b>	<b>\$1,650,690</b>
Earnings per share, primary	\$0.442	\$0.413
Earnings per share, assuming dilution	\$0.433	\$0.404
Dividends per share	\$0.125	\$0.120

\*\*\*See accompanying notes to consolidated financial statements.

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## Consolidated Statements of Earnings

(Unaudited)

### Nine Months Ended

	Sep 2016	Sep 2015
<b>Interest Income</b>		
Interest and fees on loans	\$16,335,033	\$15,267,840
Interest on federal funds sold	1	20
Interest on time deposits with banks & other	9,461	11,796
Interest on U.S. Agency Obligations & MBS	1,558,212	1,668,703
Interest on obligations of state and political subs	2,983,273	3,030,951
Total interest income	20,885,980	19,979,311
<b>Interest Expense</b>		
Interest on savings and interest bearing deposits	568,551	471,478
Interest on certificates of deposits	1,622,924	1,765,990
Interest on federal funds purchased	0	0
Other interest expense	406,605	338,921
Total interest expense	2,598,079	2,576,389
Net interest income	18,287,901	17,402,922
Provision for loan losses	487,497	157,494
Net interest income after provision for loan losses	17,800,404	17,245,428
<b>Noninterest Income</b>		
Income from fiduciary activities	1,739,421	1,699,155
Service charges on deposit accounts	893,648	971,761
Securities gains (losses)-net	272,890	905,130
Net other-than-temporary impairment losses	(\$146,546)	(\$286,701)
Merchant card income	6,949,692	5,099,146
ATM income	960,518	864,425
Cash Flow income	2,319,430	2,260,940
Other income	2,504,477	3,717,913
Total noninterest income	15,493,528	15,231,770
<b>Noninterest Expense</b>		
Salaries	10,137,128	9,197,271
Employee benefits	2,439,490	2,167,765
Occupancy expenses	2,147,319	2,171,961
Net gain (loss) on other real estate owned	195,688	188,099
Merchant card expense	4,547,308	3,231,789
ATM expense	541,564	505,425
Cash Flow expense	74,997	225,000
Other expenses	6,431,648	6,727,204
Total noninterest expense	26,515,142	24,414,514
Income before income taxes	6,778,790	8,062,684
Income taxes	1,127,275	1,571,652
Net income	<b>\$5,651,515</b>	<b>\$6,491,032</b>
Earnings per share, primary	\$1.405	\$1.626
Earnings per share, assuming dilution	\$1.375	\$1.594
Dividends per share	\$0.365	\$0.345

\*\*\*See accompanying notes to consolidated financial statements.

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