Consolidated Balance Sheet

Unaudited

	September 2017	September 2016
Assets		
Cash and due from banks		
Non-interest bearing	$11,722,717	$12,911,682
Interest bearing	9,748,032	9,107,990
Federal funds sold	27,000	654,000
Securities available for sale:		
U.S. Government agencies & other MBS	61,857,152	55,317,845
Obligations of state and political subdivisions	142,517,121	126,687,046
Other debt securities	2,512,800	2,689,500
Loans held for sale	212,404	945,490
Loans	483,164,615	448,577,339
Less: Allowance for loan loss	(4,383,944)	(4,818,355)
	$478,780,671	$443,758,984
Cash management accounts	31,747,044	25,639,599
Bank premises and equipment, net	18,065,628	18,089,233
Accrued interest receivable	2,883,857	2,544,931
Foreclosed assets	2,729,570	1,346,984
Bank-owned life insurance	11,584,548	11,295,695
Other assets	9,754,850	7,932,706
Total Assets	$784,143,394	$718,921,687
Liabilities and Stockholder's Equity		
Deposits		
Noninterest bearing deposits	$164,515,163	$148,667,923
Savings and interest bearing deposits	304,556,640	268,531,223
Certificates of deposits	201,074,478	187,795,552
Total deposits	$670,146,281	$604,994,697
Federal funds purchased, FHLB daily & term borrowing	15,000,000	20,000,000
Notes payable and trust preferred borrowings	5,179,481	5,291,374
Accrued interest payable	152,001	117,332
Other liabilities	8,410,594	7,679,141
Total liabilities	$698,888,357	$638,082,543
Commitments		
Shareholders' equity		
Preferred stock, par value $1 per share; authorized		
50,000 shares; none outstanding	0	0
Common stock, voting	20,099,375	19,848,865
Common stock, non-voting	0	0

	voting		non-voting	
	09-17	09-16	09-17	09-16
Shares auth	4,800,000	4,800,000	635,000	635,000
Shares o/s*	4,060,351	4,022,366	0	0

*includes 40,476 in nonvested shares

Paid in capital	1,318,360	966,384
Accumulated other comprehensive income	4,228,415	6,510,014
Retained earnings	59,608,888	53,513,881
Total shareholders' equity	$85,255,038	$80,839,144
Total liabilities and shareholders' equity	$784,143,394	$718,921,687

Consolidated Balance Sheet

Unaudited

	September 2017	December 2016
Assets		
Cash and due from banks		
Non-interest bearing	$11,722,717	$11,360,272
Interest bearing	9,748,032	1,450,456
Federal funds sold	27,000	0
Securities available for sale:		
U.S. Government agencies & other MBS	61,857,152	56,010,833
Obligations of state and political subdivisions	142,517,121	129,005,492
Other debt securities	2,512,800	3,192,253
Loans held for sale	212,404	405,000
Loans	483,164,615	453,427,637
Less: Allowance for loan loss	(4,383,944)	(5,009,817)
	$478,780,671	$448,417,820
Cash management accounts	31,747,044	26,151,356
Bank premises and equipment, net	18,065,628	18,664,790
Accrued interest receivable	2,883,857	3,059,328
Foreclosed assets	2,729,570	1,286,400
Bank-owned life insurance	11,584,548	11,371,147
Other assets	9,754,850	10,385,633
Total Assets	$784,143,394	$720,760,780
Liabilities and Stockholder's Equity		
Deposits		
Noninterest bearing deposits	$164,515,163	$144,458,129
Savings and interest bearing deposits	304,556,640	278,422,884
Certificates of deposits	201,074,478	186,849,123
Total deposits	$670,146,281	$609,730,137
Federal funds purchased, FHLB daily & term borrowing	15,000,000	20,852,000
Notes payable and trust preferred borrowings	5,179,481	5,253,571
Accrued interest payable	152,001	129,386
Other liabilities	8,410,594	6,889,783
Total liabilities	$698,888,357	$642,854,877
Commitments		
Shareholders' equity		
Preferred stock, par value $1 per share; authorized		
50,000 shares; none outstanding	0	0
Common stock, voting	20,099,375	19,873,415
Common stock, non-voting	0	0

	voting		non-voting	
	09-17	12-16	09-17	12-16
Shares auth	4,800,000	4,800,000	635,000	635,000
Shares o/s*	4,060,351	4,027,276	0	0

*includes 40,476 in nonvested shares

Paid in capital	1,318,360	1,133,078
Accumulated other comprehensive income	4,228,415	2,575,857
Retained earnings	59,608,888	54,323,553
Total shareholders' equity	$85,255,038	$77,905,903
Total liabilities and shareholders' equity	$784,143,394	$720,760,780

Consolidated Statement of Earnings

Unaudited

	Three Months Ended	
	September 2017	**September 2016**
Interest Income		
Interest and fees on loans	$5,987,951	$5,573,474
Interest on federal funds sold	129	1
Interest on time deposits with banks & other	854	2,459
Interest on U.S. Agency Obligations & MBS	500,494	482,820
Interest on obligations of state and political subs	1,127,964	1,004,351
Total interest income	7,617,392	7,063,105
Interest Expense		
Interest on savings and interest bearing deposits	246,174	202,534
Interest on certificates of deposits	599,907	652,267
Interest on federal funds purchased	0	0
Other interest expense	165,916	134,084
Total interest expense	1,011,996	988,885
Net interest income	6,605,396	6,074,220
Provision for loan losses	174,999	62,499
Net interest income after provision for loan losses	6,430,397	6,011,721
Noninterest Income		
Income from fiduciary activities and wealth management	874,364	828,756
Service charges on deposit accounts	266,646	293,785
Securities gains, net	354,333	265,255
Net other-than-temporary impairment losses	$16,666	($11,477)
Merchant card income	3,549,326	2,650,983
ATM income	355,667	334,607
Cash management income	1,009,669	765,349
Other income	959,959	788,357
Total noninterest income	7,386,629	5,915,614
Noninterest Expense		
Salaries	3,990,075	3,982,284
Employee benefits	848,892	827,831
Occupancy expenses	797,812	724,731
Net loss on other real estate owned	3,227	103,202
Merchant card expense	2,550,823	1,734,772
ATM expense	152,706	201,983
Cash management expense	30,000	24,999
Other expenses	2,273,670	2,211,725
Total noninterest expense	10,647,205	9,811,528
Income before income taxes	3,169,821	2,115,808
Income taxes	654,556	336,087
Net income	$2,515,265	$1,779,721
Earnings per share, basic	$0.620	$0.442
Earnings per share, diluted	$0.608	$0.433
Dividends per share	$0.130	$0.120

Consolidated Statements of Earnings

Unaudited

	Nine Months Ended	
	September 2017	**September 2016**
Interest Income		
Interest and fees on loans	$17,367,209	$16,335,033
Interest on federal funds sold	184	1
Interest on time deposits with banks & other	4,639	9,461
Interest on U.S. Agency Obligations & MBS	1,417,361	1,558,212
Interest on obligations of state and political subs	3,309,523	2,983,273
Total interest income	22,098,916	20,885,980
Interest Expense		
Interest on savings and interest bearing deposits	675,331	568,551
Interest on certificates of deposits	1,636,067	1,622,924
Interest on federal funds purchased	0	0
Other interest expense	462,076	406,605
Total interest expense	2,773,475	2,598,079
Net interest income	19,325,441	18,287,901
Provision for loan losses	824,997	487,497
Net interest income after provision for loan losses	18,500,444	17,800,404
Noninterest Income		
Income from fiduciary activities and wealth management	2,731,986	2,622,387
Service charges on deposit accounts	818,143	893,648
Securities gains, net	364,864	272,890
Net other-than-temporary impairment losses	$0	($146,546)
Merchant card income	9,644,088	6,949,692
ATM income	1,032,341	960,518
Cash management income	2,832,570	2,345,580
Other income	2,769,517	1,595,360
Total noninterest income	20,193,509	15,493,528
Noninterest Expense		
Salaries	10,984,607	10,137,128
Employee benefits	2,796,338	2,439,490
Occupancy expenses	2,311,697	2,173,569
Net loss on other real estate owned	3,227	195,688
Merchant card expense	6,649,461	4,547,308
ATM expense	550,814	541,564
Cash management expense	90,000	74,997
Other expenses	6,523,928	6,405,398
Total noninterest expense	29,910,071	26,515,142
Income before income taxes	8,783,882	6,778,790
Income taxes	1,670,866	1,127,275
Net income	**$7,113,016**	**$5,651,515**

Earnings per share, basic	$1.759	$1.405
Earnings per share, diluted	$1.723	$1.375
Dividends per share	$0.380	$0.240