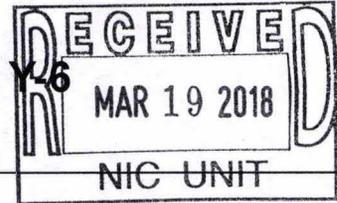


Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6



Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies, top-tier savings and loan holding companies, and U.S. intermediate holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The *Annual Report of Holding Companies* must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

Date of Report (top-tier holding company's fiscal year-end):  
**December 31, 2017**

I, Michael E. Vance  
 Name of the Holding Company Director and Official  
Vice President & Secretary and Director  
 Title of the Holding Company Director and Official

Month / Day / Year  
 None  
 Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)  
 Reporter's Name, Street, and Mailing Address

attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

Central Texas Financial Corp  
 Legal Title of Holding Company  
118 South Houston  
 (Mailing Address of the Holding Company) Street / P.O. Box  
Cameron TX 76520  
 City State Zip Code

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Physical Location (if different from mailing address)  
 Person to whom questions about this report should be directed:  
Albert Jordan Treasurer  
 Name Title  
512-352-3503  
 Area Code / Phone Number / Extension  
512-352-3547  
 Area Code / FAX Number  
ajordan@cncbanktexas.com  
 E-mail Address  
 None

March 14, 2018  
 Signature of Holding Company Director and Official  
 Date of Signature

Address (URL) for the Holding Company's web page

For holding companies not registered with the SEC—  
 Indicate status of Annual Report to Shareholders:  
 is included with the FR Y-6 report  
 will be sent under separate cover  
 is not prepared

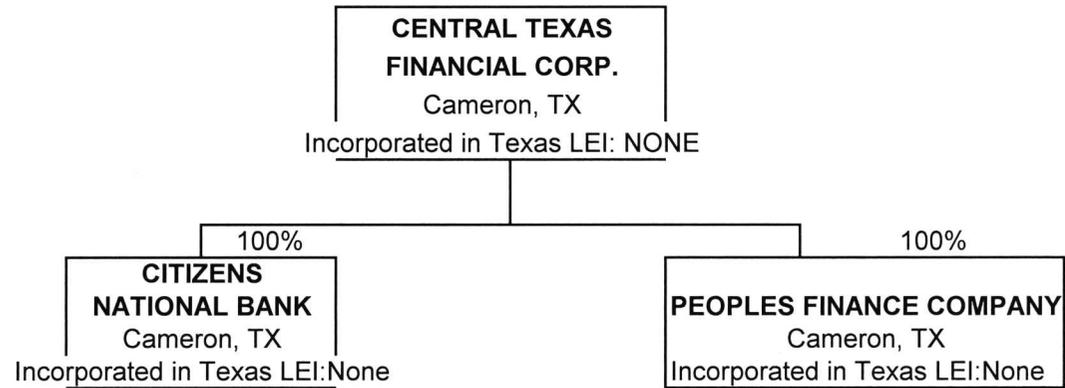
Is confidential treatment requested for any portion of this report submission?  0=No  1=Yes 0  
 In accordance with the General Instructions for this report (check only one),  
 1. a letter justifying this request is being provided along with the report .....   
 2. a letter justifying this request has been provided separately .....   
 NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

For Federal Reserve Bank Use Only  
 RSSD ID 3137729  
 C.I. \_\_\_\_\_

**Central Texas Financial Corp**  
**Form FR Y-6**  
**December 31, 2017**

**Report Item:**

- (1)(a) The BHC is not required to prepare form 10K with the SEC.
- (1)(b) The BHC does prepare an annual report for its shareholders. Enclosed are two copies of the annual report.
- (2)(a) Organization Chart



- (2)(b) Domestic Branch Listing

Emailed 03/12/2018

**Results:** A list of branches for your depository institution: **CITIZENS NATIONAL BANK (ID\_RSSD: 59352).**

This depository institution is held by **CENTRAL TEXAS FINANCIAL CORP. (3137729) of CAMERON, TX.**

The data are as of **12/31/2017.** Data reflects information that was received and processed through **01/04/2018.**

**Reconciliation and Verification Steps**

1. In the **Data Action** column of each branch row, enter one or more of the actions specified below
2. If required, enter the date in the **Effective Date** column

**Actions**

**OK:** If the branch information is correct, enter 'OK' in the **Data Action** column.

**Change:** If the branch information is incorrect or incomplete, revise the data, enter 'Change' in the **Data Action** column and the date when this information first became valid in the **Effective Date** column.

**Close:** If a branch listed was sold or closed, enter 'Close' in the **Data Action** column and the sale or closure date in the **Effective Date** column.

**Delete:** If a branch listed was never owned by this depository institution, enter 'Delete' in the **Data Action** column.

**Add:** If a reportable branch is missing, insert a row, add the branch data, and enter 'Add' in the **Data Action** column and the opening or acquisition date in the **Effective Date** column.

If printing this list, you may need to adjust your page setup in MS Excel. Try using landscape orientation, page scaling, and/or legal sized paper.

**Submission Procedure**

When you are finished, send a saved copy to your FRB contact. See the detailed instructions on this site for more information.

If you are e-mailing this to your FRB contact, put your institution name, city and state in the subject line of the e-mail.

Note:

To satisfy the **FR Y-10 reporting requirements**, you must also submit FR Y-10 Domestic Branch Schedules for each branch with a **Data Action** of **Change, Close, Delete, or Add.**

The FR Y-10 report may be submitted in a hardcopy format or via the FR Y-10 Online application - <https://y10online.federalreserve.gov>.

\* FDIC UNINUM, Office Number, and ID\_RSSD columns are for reference only. Verification of these values is not required.

Data Action	Effective Date	Branch Service Type	Branch ID_RSSD*	Popular Name	Street Address	City	State	Zip Code	County	Country	FDIC UNINUM*	Office Number*	Head Office	Head Office ID_RSSD*	Comments
ok		Full Service (Head Office)	59352	CITIZENS NATIONAL BANK	118 SOUTH HOUSTON STREET	CAMERON	TX	76520	MILAM	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	601564	RANCH ROAD BRANCH	12128 RANCH ROAD 620 NORTH	AUSTIN	TX	78750	WILLIAMSON	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Limited Service	243553	DRIVE THRU BRANCH	500 NORTH TRAVIS STREET	CAMERON	TX	76520	MILAM	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	3295496	COUPLAND BRANCH	102 HOXIE STREET	COUPLAND	TX	78615	WILLIAMSON	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	398659	GIDDINGS BRANCH	104 WEST AUSTIN STREET	GIDDINGS	TX	78942	LEE	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Limited Service	3494301	GIDDINGS DRIVE THRU BRANCH	237 SOUTH MAIN STREET	GIDDINGS	TX	78942	LEE	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	3651467	PFLUGERVILLE BRANCH	601 FM 685	PFLUGERVILLE	TX	78660	TRAVIS	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	987763	ROCKDALE BRANCH	140 EAST CAMERON STREET	ROCKDALE	TX	76567-2924	MILAM	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	1431405	ROCKDALE WEST MOTOR BANK BRANCH	1401 WEST CAMERON STREET	ROCKDALE	TX	76567	MILAM	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	4548425	ROUND ROCK BRANCH	201 W. PALM VALLEY BLVD	ROUND ROCK	TX	78664	WILLIAMSON	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	
ok		Full Service	1451029	TAYLOR BRANCH	316 NORTH MAIN STREET	TAYLOR	TX	76574	WILLIAMSON	UNITED STATES	Not Required	Not Required	CITIZENS NATIONAL BANK	59352	

**Report Item 3: Shareholders**

(1)(a, b, c) and (2)(a, b, c)

Current Shareholders with ownership, control or holdings of 5% or more with power to vote.			Shareholders not listed in (3)(1)(a) through (3)(1)(c) that had ownership, control or holdings of 5% or more with power to vote during the fiscal year.		
(1)(a) Names & Address (City, State, Country)	(1)(b) Country of Citizenship or Incorporation	(1)(c) Number and Percentage of Each Class of Voting Securities	(2)(a) Names & Address (City, State, Country)	(2)(b) Country of Citizenship or Incorporation	(2)(c) Number and Percentage of Each Class of Voting Securities
Goodhue W. Smith III San Antonio, TX / USA	USA	1,357 – 11.5%	N/A	N/A	N/A
Eleanor Smith Morrison Waco, TX / USA	USA	1,869 – 15.9%	N/A	N/A	N/A
Deborah Smith Quebe Waco, TX / USA	USA	2,158 – 18.3%	N/A	N/A	N/A
Hilliard Smith Ft Lauderdale, FL/ USA	USA	2,050 - 17.4%	N/A	N/A	N/A

The company has only one class of stock: common.

Report Item 4: Directors and Officers

(1) (2) (3)(a, b, c) and (4)(a, b, c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position With Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Goodhue W. Smith III San Antonio, TX / USA	Investment Banker	Director and President, CEO, Secretary	Director & President (People's Finance Co)  Director and Chairman Of the Board (Citizens National Bank)	President – COLM Restaurants, Inc.  Director – Grinnan-Smith Interests, Inc.  Director – Republic of Texas Restaurants, Inc.  Director – Duncan-Smith Investments, Co.  Managing Partner – Tres Hombres, Ltd.  Managing Partner Oxsheer Management LLC	11.5%	None	COLM Restaurants, Inc. (50%)  Grinnan-Smith Interests, Inc. (40%)  Duncan-Smith Investments, Co. (50%)  Tres Hombres, Ltd. (33%)

Report Item 4: Directors and Officers

(1) (2) (3)(a, b, c) and (4)(a, b, c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position With Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Goodhue W. Smith III -continued-				Partner Herwol Properties LTD  Partner – Riverside Building Jt Venture  Partner- Riverwalk Properties  Managing Partner – Two Tinkers, Ltd.  Partner- River Restaurants Ltd  Partner Soggy Dollar Investments  Partner C.V Partners  Director QSQ Financial Corp  Director Nolan Creek Cotton Gin			N/A  N/A  N/A  Two Tinkers, Ltd. (39.5%)  N/A  Soggy Dollar Investments (50%)  N/A  49.5% QSQ Financial Corp  25% Nolan Creek Cotton Gin

Report Item 4: Directors and Officers

(1) (2) (3)(a, b, c) and (4)(a, b, c)

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position With Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held (List names of companies and percentage of voting securities held)
Eleanor Smith Morrison Waco, TX / USA	Homemaker	Principal Shareholder	N/A	N/A	15.9 %	None	N/A
Deborah Smith Quebe Waco, TX / USA	Homemaker	Principal Shareholder	N/A	Director QSQ Financial Corp	18.3%	None	N/A
Hilliard Smith Ft Lauderdale, FL / USA	Self-Employed	Principal Shareholder	N/A	N/A	17.4%	None	N/A
Michael E. Vance Rockdale, TX / USA	N/A	Director Vice President & Secretary	President & CEO (Citizens National Bank) Director	N/A	0.4%	None	N/A
Albert Jordan Rockdale, TX / USA	N/A	Treasurer	Director (People's Finance Co)  SVP/CFO- (Citizens National Bank)	N/A	0.0%	None	N/A



**CENTRAL TEXAS  
FINANCIAL CORP.**



# CENTRAL TEXAS FINANCIAL CORP.

P.O. DRAWER 111 · CAMERON, TEXAS 76520-0111 · (254) 697-6653

March 5, 2018

Dear Shareholder:

In August we converted to a new data processing provider. Planning for the conversion was a year-long process. The conversion involved all bank operating departments and branches. Individuals from each department were selected to spearhead the conversion for their department. No major system conversion goes without unexpected issues and while we had our share, all staff and officers pitched in to work through each issue. I can report that after 30 days, all important functions were performing up to expectations. We continue to learn how to utilize all the new capabilities the system offers. Accomplishing this conversion was a major feat and all bank personnel are commended for their contribution to successfully completing this task.

From a financial point of view, the Bank met a number of goals. Most importantly, the growth in the loan portfolio which ended the year at a record level. The loan portfolio was \$220.6 million versus \$180.7 million prior year-end and a budgeted year-end amount of ~~\$10.6~~ <sup>190.6</sup> million. Much of this growth came from the branches located in the Austin area. Equally as important, asset quality of the Bank remains excellent. At year-end, there were no non-performing assets, no real estate owned and only a few past due loans. At year-end, the Bank had total assets of \$402.5 million. Total deposits decreased over \$15.6 million to \$356.9 million. Over half of this decrease came from our decision not to bid as aggressively for public funds. In 2018, one of our primary goals is to grow deposits. The Bank tangible capital account before security gains or losses continues to increase - \$47.1 million, an increase of \$2.7 million. Reported earnings before tax were \$4,049,497 versus \$3,693,872 the prior year. This increase was primarily due to the higher loan balances. The 2017 earnings were negatively impacted by costs associated with the data processing contract. The 2018 earnings **budget** is \$4.5 million.

The finance company reported good profits and an increase in loan balances. The biggest challenge we face in the operation is retaining strong leadership at each branch. Turnover of personnel at certain branches has been an issue, but we begin 2018 with a strong dedicated team. We continue to be pleased with the leadership provided by senior management of this operation.

As we enter 2018, for the first time in over a decade, the American economy is strong and the expectation for continued growth is good. A stronger economy might result in higher interest rates. The Federal Reserve Bank has indicated plans to increase short term interest rates three, maybe four times. The markets have already responded by increasing rates on home mortgages and other products. How higher interest rates impact the economy is uncertain. The recently passed tax bill provides a number of changes for individuals and corporations. One immediate impact on our shareholders will be a lower amount of bank income that will be taxed at the individual level. The impact will vary depending on each shareholder's unique tax position. We plan to look carefully at the tax bill to determine if there are features which could impact the bank. If so we will adjust operations accordingly.

We appreciate the efforts of our staff and the support from our board in 2017 and look forward to 2018. Take time to read the enclosed information and if you have any questions, please feel free to call.

Sincerely yours,



Goodhue W. Smith, III  
Chairman, President & CEO



Michael E. Vance  
Vice President & Secretary

**CENTRAL TEXAS FINANCIAL CORP.**

**FINANCIALS**

Central Texas Financial Corp

Condensed Financial Statements - Unaudited

		December 31,	
		2017	2016
<b><u>Balance Sheet</u></b>			
	<u>Assets</u>		
Cash		\$ 69,522	\$ 148,865
Notes receivable		496,703	516,703
Investment in subsidiaries		46,178,505	42,807,474
Property		50,247	51,194
Other Assets		119,895	119,895
Total Assets		<u>\$ 46,914,872</u>	<u>\$ 43,644,131</u>
	<u>Liabilities &amp; Stockholders' Equity</u>		
<u>Liabilities:</u>			
Liabilities		\$ -	\$ -
<u>Stockholders' equity</u>			
Common stock — \$100 Par, 100,000 shares authorized; shares issued and outstanding: 11,736 in 2017 and 11,788 in 2016		1,173,600	1,178,800
Additional paid-in capital		20,034,548	20,034,548
Retained earnings		29,649,551	26,680,516
Treasury stock, at cost 836 shares in 2017 and 784 shares in 2016		(1,837,560)	(1,675,960)
Other comprehensive income		(2,105,268)	(2,573,774)
Total stockholders' equity		<u>46,914,872</u>	<u>43,644,131</u>
Total Liabilities & Stockholders' Equity		<u>\$ 46,914,872</u>	<u>\$ 43,644,131</u>

		For the year ended December 31,	
		2017	2016
<b><u>Statement of Income</u></b>			
	<u>Income</u>		
Equity in undistributed earnings		\$ 4,268,676	\$ 3,926,070
Interest income		42,429	39,239
Dividend Income		4,580	62
Rental income		13,200	12,600
Other income		-	5,785
Total income		<u>4,328,885</u>	<u>3,983,755</u>
	<u>Expenses</u>		
Insurance		12,355	12,355
Other		2,888	3,275
Total expenses		<u>15,243</u>	<u>15,630</u>
Net Income		<u>\$ 4,313,641</u>	<u>\$ 3,968,126</u>

Central Texas Financial Corp  
Statement of Changes in Stockholders' Equity

	Common Stock		Additional Paid - In Capital	Retained Earnings	Other Comprehensive Income (Loss)	Treasury Stock	Stockholders' Equity
	Shares	Dollars					
<b>BALANCE, DECEMBER 31, 2011</b>	12,149	\$ 1,214,900	\$ 20,034,548	\$ 12,440,912	\$ 3,004,921	\$ (737,460)	\$ 35,957,822
Issuance of Common Stock							-
Net change in unrealized gain on on available-for-sale securities					(208,746)		(208,746)
Cash dividends paid				(1,065,467)			(1,065,467)
Net income				4,207,312			4,207,312
<b>BALANCE, DECEMBER 31, 2012</b>	12,149	\$ 1,214,900	\$ 20,034,548	\$ 15,582,757	\$ 2,796,175	\$ (737,460)	\$ 38,890,921
Issuance of Common Stock	(45)	(4,500)				(112,500)	(117,000)
Net change in unrealized gain on on available-for-sale securities					(5,988,547)		(5,988,547)
Cash dividends paid				(635,393)			(635,393)
Net income				3,234,739			3,234,739
<b>BALANCE, DECEMBER 31, 2013</b>	12,104	\$ 1,210,400	\$ 20,034,548	\$ 18,182,103	\$ (3,192,371)	\$ (849,960)	\$ 35,384,721
Issuance of Common Stock	(176)	(17,600)				(440,000)	(457,600)
Net change in unrealized gain on on available-for-sale securities					2,101,927		2,101,927
Cash dividends paid				(909,195)			(909,195)
Net income				2,913,544			2,913,544
<b>BALANCE, DECEMBER 31, 2014</b>	11,928	\$ 1,192,800	\$ 20,034,548	\$ 20,186,453	\$ (1,090,444)	\$ (1,289,960)	\$ 39,033,397
Issuance of Common Stock	(100)	(10,000)				(270,000)	(280,000)
CitCamCo Acquisition Equity Basis				738,164			738,164
Net change in unrealized gain on on available-for-sale securities					95,897		95,897
Cash dividends paid				(1,100,247)			(1,100,247)
Net income				3,798,054			3,798,054
<b>BALANCE, DECEMBER 31, 2015</b>	11,828	\$ 1,182,800	\$ 20,034,548	\$ 23,622,424	\$ (994,547)	\$ (1,559,960)	\$ 42,285,266
Issuance of Common Stock	(40)	(4,000)				(116,000)	(120,000)
Net change in unrealized gain on on available-for-sale securities					(1,579,227)		(1,579,227)
Cash dividends paid				(910,034)			(910,034)
Net income				3,968,126			3,968,126
<b>BALANCE, DECEMBER 31, 2016</b>	11,788	\$ 1,178,800	\$ 20,034,548	\$ 26,680,516	\$ (2,573,774)	\$ (1,675,960)	\$ 43,644,131
Issuance of Common Stock	(52)	(5,200)				(161,600)	(166,800)
Net change in unrealized gain on on available-for-sale securities					468,506		468,506
Cash dividends paid				(1,344,606)			(1,344,606)
Net income				4,313,641			4,313,641
<b>BALANCE, DECEMBER 31, 2017</b>	11,736	\$ 1,173,600	\$ 20,034,548	\$ 29,649,551	\$ (2,105,268)	\$ (1,837,560)	\$ 46,914,872

**CITIZENS NATIONAL BANK**

**FINANCIALS**

Citizens National Bank  
Balance Sheet - Unaudited

	December 31,	
	2017	2016
<b><u>Assets</u></b>		
Cash and due from banks	\$ 5,356,332	\$ 5,348,642
Due from bank time deposits and money market	16,259,618	16,673,414
<i>Investment securities held in:</i>		
Mortgage-backed securities	61,611,016	78,529,130
US Government agencies	5,633,117	5,727,388
State & political subdivisions	76,545,475	106,880,256
Corporate securities	400,000	4,967,756
FRB and IBFC stock	118,290	118,290
Unrealized gain on available-for-sale securities	(2,105,268)	(2,573,774)
Total investment securities	142,202,630	193,649,046
Loans, less allowance for loan losses	220,616,397	180,675,045
Bank premises and equipment, net	8,692,310	8,960,308
Bank Owned Life Insurance	7,270,752	7,090,424
Accrued interest receivable and other assets	1,897,602	2,164,121
Goodwill	190,549	272,071
Total assets	\$ 402,486,190	\$ 414,833,071
<b><u>Liabilities &amp; Stockholders' Equity</u></b>		
<i>Liabilities:</i>		
Demand deposits:		
Non-interest bearing	\$ 71,619,865	\$ 86,045,576
Interest bearing	109,067,268	102,485,527
Total demand deposits	180,687,133	188,531,103
Time & savings deposits	176,200,875	183,945,636
Total deposits	356,888,008	372,476,739
Federal funds purchased	-	-
Accrued interest payable and other liabilities	593,105	551,907
Total liabilities	357,481,113	373,028,646
<i>Stockholders' equity:</i>		
Common stock	1,496,600	1,496,600
Surplus	1,496,600	1,496,600
Retained earnings	44,117,145	41,384,999
Unrealized gain/(loss) on available-for-sale securities	(2,105,268)	(2,573,774)
Total stockholders' equity	45,005,077	41,804,425
Total liabilities & stockholders' equity	\$ 402,486,190	\$ 414,833,071

Citizens National Bank  
Condensed Income Statement - Unaudited

	<b>For the Year Ended December 31,</b>	
	<b>2017</b>	<b>2016</b>
<i>Net interest income:</i>		
Interest and fee income on loans	\$ 10,434,817	\$ 8,243,011
Interest income on investment securities and federal funds sold	2,793,768	3,419,270
Interest income on due from bank time deposits	156,234	163,533
Total interest income	13,384,819	11,825,814
Interest expense on deposits	1,523,424	1,333,161
Interest expense on other borrowings	10,531	5,378
Total interest expense	1,533,955	1,338,539
Net interest income	11,850,864	10,487,275
<i>Non-interest income:</i>		
Service charges and fee income on deposits	655,379	676,266
Other fee and miscellaneous income	682,793	706,224
Trust fee income	308,285	290,400
Total non-interest income	1,646,457	1,672,890
<i>Non-interest expense:</i>		
Salaries and employee benefits	5,302,652	4,798,247
Occupancy	1,431,336	1,490,681
Data processing and courier	683,687	552,765
Provision for Loan/Security Loss	180,000	300,000
Other	1,928,930	1,889,371
Total non-interest expense	9,526,605	9,031,064
Income before taxes, security gains, discounted loan income and extraordinary items	3,970,716	3,129,101
Gain/(Loss) on sale of assets	75,200	352,202
Discount recognized on purchased loans	3,581	212,569
Net Income	\$ 4,049,497	\$ 3,693,872