



2016

# Financial Information



MEMBER FDIC

## Income Statement

<i>(in thousands)</i>	<i>December 31</i>	
	2016	2015
<b>INTEREST INCOME</b>		
Interest and fee income on loans:		
Loans secured by real estate	\$81,298	\$74,140
Other Loans	43,185	36,573
Interest income on investments and securities	7,279	6,661
<b>TOTAL INTEREST INCOME</b>	<b>131,762</b>	<b>117,374</b>
<b>INTEREST EXPENSE</b>		
Interest on deposits	7,359	5,244
Interest on borrowed money	2,678	2,352
<b>TOTAL INTEREST EXPENSE</b>	<b>10,037</b>	<b>7,596</b>
<b>NET INTEREST INCOME</b>	<b>121,725</b>	<b>109,778</b>
Provisions for loan and lease losses	(145)	207
<b>NON-INTEREST INCOME</b>		
Fees, service charges and other income	23,428	24,702
Gains (Losses) on sale of securities and loans	11,407	7,156
<b>TOTAL NON-INTEREST INCOME</b>	<b>34,835</b>	<b>31,858</b>
<b>NON-INTEREST EXPENSE</b>		
Operating expense	127,034	118,547
<b>TOTAL NON-INTEREST EXPENSE</b>	<b>127,034</b>	<b>118,547</b>
<b>INCOME BEFORE INCOME TAXES</b>	<b>29,671</b>	<b>22,882</b>
Applicable income taxes	484	695
<b>INCOME BEFORE EXTRAORDINARY ITEMS</b>	<b>29,187</b>	<b>22,187</b>
<b>NET INCOME</b>	<b>\$ 29,187</b>	<b>\$ 22,187</b>

### Changes in Equity Capital

<i>(in thousands)</i>	2016	2015
Equity capital reported at end of previous period	\$335,276	\$330,196
Net Income	29,187	22,187
LESS: Distributions	17,000	15,000
Other	0	0
Change in Net Unrealized Holding Gains	(8,206)	(2,107)
<b>TOTAL EQUITY CAPITAL END OF CURRENT PERIOD</b>	<b>\$339,257</b>	<b>\$335,276</b>

## Balance Sheet

<i>(in thousands)</i>	<i>December 31</i>	
	2016	2015
<b>ASSETS</b>		
Cash and balances due from depository institutions	\$164,340	\$100,075
Securities	287,959	304,904
Federal funds sold and securities purchased under agreements to resell	3	41
Loans and leases, net of unearned income	2,669,926	2,347,649
LESS: Allowance for loan losses	54,080	54,690
Net loans and leases	2,615,846	2,292,959
Other real estate owned	1,633	2,143
Fixed assets	13,225	13,958
Other assets	48,666	41,234
<b>TOTAL ASSETS</b>	<b>\$3,131,672</b>	<b>\$2,755,314</b>
<b>LIABILITIES AND CAPITAL</b>		
Deposits	\$2,516,025	\$2,163,197
Other borrowed money	235,880	205,041
Other liabilities	40,510	51,800
<b>TOTAL LIABILITIES</b>	<b>2,792,415</b>	<b>2,420,038</b>
<b>CAPITAL</b>		
Common stock	3,105	3,105
Surplus	117,157	117,157
Undivided profits and capital reserves	224,173	211,986
Accumulated Other Comprehensive Income	(5,178)	3,028
<b>TOTAL CAPITAL</b>	<b>339,257</b>	<b>335,276</b>
<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$3,131,672</b>	<b>\$2,755,314</b>