

Consolidated Statements of Income

Years ended December 31, 2016 and 2015

	2016	2015
INTEREST AND DIVIDEND INCOME		
Loans, Including Fees	\$ 9,147,033	\$ 8,003,249
Investment Securities:		
Taxable	2,395,540	2,197,987
Tax-Exempt	1,982,209	2,317,932
Other	42,899	16,132
Total Interest and Dividend Income	<u>13,567,681</u>	<u>12,535,300</u>
INTEREST EXPENSE		
Deposits	666,105	1,025,562
Borrowings	256,417	313,068
Total Interest Expense	<u>922,522</u>	<u>1,338,630</u>
NET INTEREST INCOME	12,645,159	11,196,670
PROVISION FOR LOAN LOSSES	<u>80,000</u>	<u>-</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	12,565,159	11,196,670
NONINTEREST INCOME		
Customer Service Fees	1,328,413	1,257,113
Debit Card Fee Income	1,024,063	955,513
Earnings on Bank-Owned Life Insurance	198,103	201,936
Mortgage Servicing Fee Income	93,426	124,395
Net Gain on Sale of Securities	238,855	297,837
Net Gain on Sale of Loans	165,335	105,673
Net Gain on Sale of Other Real Estate Owned	64,243	85,981
Other	224,908	205,320
Total Noninterest Income	<u>3,337,346</u>	<u>3,233,768</u>
NONINTEREST EXPENSES		
Salaries and Employee Benefits	4,781,976	4,336,068
Occupancy	996,854	759,793
Furniture and Equipment	1,235,575	1,319,632
ATM Fees	365,159	208,677
Postage and Freight	170,187	159,543
Data Processing Fees	988,597	801,780
Supplies	181,681	184,414
Telephone	269,132	260,537
Loan and Other Real Estate Expense	425,797	521,876
Professional Fees	399,948	418,661
FDIC Assessment Expense	164,328	176,190
Ohio Financial Institution Tax	305,700	260,682
Other	1,188,637	1,493,111
Total Noninterest Expenses	<u>11,473,571</u>	<u>10,900,964</u>
INCOME BEFORE INCOME TAXES	4,428,934	3,529,474
INCOME TAX EXPENSE	<u>672,220</u>	<u>241,154</u>
NET INCOME	<u>\$ 3,756,714</u>	<u>\$ 3,288,320</u>
EARNINGS PER COMMON SHARE	<u>\$ 1.51</u>	<u>\$ 1.33</u>
WEIGHTED-AVERAGE SHARES OUTSTANDING	<u>2,487,739</u>	<u>2,475,751</u>

See accompanying Notes to Consolidated Financial Statements.