

years
1985-2015



CITIZENS
NATIONAL BANK

“Your Kind of Bank”

2014 Annual Report

CITIZENS NATIONAL BANK

CITIZENS
NATIONAL BANK
Your Kind of Bank

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30th
ANNIVERSARY
1985-2015

 **CITIZENS
NATIONAL BANK**
"Your Kind of Bank"

A Letter from the President & CEO

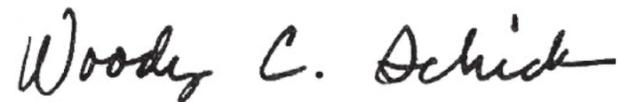
On October 7, 1985 Citizens National Bank, N.A. opened the doors as the newest bank chartered for business in Bossier Parish. In December of 1985 the bank ended that inaugural year with total assets just over \$10,000,000. Ronald Reagan was the President of the United States, Edwin Edwards was the Governor of Louisiana, Don Jones was the Mayor of Bossier City, and John Hussey was the Mayor of Shreveport.

We would like to take this time to reflect on the 30 years that our bank has been in business. In this Annual Report we will have the opportunity to highlight the path of success our bank has experienced. From the beginning the initial thirteen business men that comprised the Board of Directors were committed to providing a service to the community we serve. This Annual Report is that opportunity to recognize those directors and employees that have been such an integral part of that success.

In a book by Simon Sinek "Leaders Eat Last" the foreword has a sentence from George J. Flynn, Lieutenant General, U.S. Marine Corps (Ret.), "A leader who takes care of their people and stays focused on the well-being of the organization can never fail". While any business cannot succeed without our customers we must have great employees that have a desire to serve those customers. Citizens National Bank is fortunate to have over 170 employees that believe in serving our customers and our community. This commitment to those customers and our communities is the ingredient for the success of Citizens National Bank, N.A.

In September of 2008 it was my privilege to become the President of Citizens National Bank, N.A. The bank ended the year of 2008 with total assets of \$343,571,290. The financial highlights in this Annual Report will reflect that the bank ended the year of 2014 with total assets of over \$815,000,000. The growth and success we have experienced is a testament to the dedicated individuals that make up the Citizens National Bank "family", to the customers that have entrusted us with having the opportunity to assist them with their financial objectives, and to well over 450 shareholders that have made an investment in our company. We are focused on continuing to grow our company and maximize the return of investment of our shareholders, while we serve the communities of Northwest Louisiana and maintain our slogan as "Your Kind of Bank".

SINCERELY,



WOODY C. SCHICK, PRESIDENT & CEO



“The difference in banks lies in the manner in which customers are treated”.



Then & Now

October 7, 1985: Bank opens for business at 2005 Benton Road, Bossier City, Louisiana with 12 initial employees and ends the first year with total assets of \$10,387,717.

December 1986: Bank ends the year with total assets of \$36,186,559. In June of 1986 two banks were closed on the same day, June 13, 1986, and the economic downturn hits Shreveport/Bossier City with full force. Citizens National Bank struggles for many years but survives the most difficult times.

June 1990: Will Hubbard becomes New President and Chief Executive Officer and ends the year with total assets \$34,742,698.

December 1993: The bank for the first times announces a stock dividend. Ends the year with total assets of \$38,947,054.

December 1995: Bank announces formation of one-bank holding company, Citizens National Bancshares, Inc. Ends the year with total assets of \$55,506,119. Announces a 10% stock dividend.

October 1997: Opens new Main Office located at 2711 East Texas Street, Bossier City, Louisiana.

Year of 1999: Opens newest branch at 9237 Mansfield Road, Shreveport, Louisiana, Bank ends the year with total assets of \$85,066,415.

December 2000: Bank ends its 15th year with total assets of \$116,365,288.

October 2001: Opens second location in Shreveport at 1545 East 70th Street, Shreveport, Louisiana and finishes the year with total assets of \$143,240,213.

Year of 2002: Citizens National begins Real Estate Mortgage Operations selling Mortgage Loans into the secondary market. Installs its first Automated Teller Machine (ATM). Bank ends the year with total assets of \$188,774,444

Year of 2004: Ronnie D. Sheffield becomes President and Chief Operating Officer and Will Hubbard continues as Chief Executive Officer. Total assets end of the year \$239,235,972.

December 2005: Bank celebrates 20th Anniversary and ends the year with total assets \$272,348,999.00

February 2006: Opens the Stockwell Road Branch at 700 Stockwell Road, Bossier City, and ends the year with total assets of \$298,181,081.

December 2007: Bank declares a stock dividend for the fifteenth consecutive year and ends the year with total assets of \$302,528,244.

September 2008: Woody C. Schick becomes President and Chief Executive Officer and year end total assets are \$343,571,290.

October 2009: Bank opens new branch at 330 Marshall Street, Shreveport, Louisiana known as the Beard Tower branch.

June 2010: Bank becomes #1 bank in Bossier Parish by Deposits and celebrates the 25th Anniversary. In October opens another branch at 94, Polk Street, Mansfield, Louisiana and ends the year with total assets \$423,962,668.

November 2011: Consummates merger of Citizens Bank and Trust of Springhill, into Citizens National Bank, N.A. of Bossier City, Louisiana. Opens Citizens National Investment Services (CNIS) adjacent the Beard Tower in Downtown Shreveport, Louisiana and ends the year with total assets \$669,173,292.

Year of 2012: Implementation of Executive Management team with 6 Executive Vice Presidents reporting to the President and Chief Executive Officer. This new management structure positions the bank for future growth and acquisitions.

Year of 2013: Opens new 4,300 Square Foot branch 18 Machen Drive, Springhill, Louisiana and ends the year with total assets of \$743,832,093.

December 2014: Ending the year with total assets of \$815,413,315, operating 14 branches in the five Parishes of Northwest Louisiana.

Statement of Income & Expenses

Financial Highlights

	2014	2013	2012	2011
INTEREST INCOME				
LOANS:				
Individuals, Partnerships & Corporations	28,720,529	27,652,538	25,993,693	23,085,358
INVESTMENT SECURITIES:				
Taxable	2,405,460	2,248,853	1,319,426	1,602,145
Non-taxable	1,415,332	1,176,077	1,107,610	747,781
Dividends	78,597	73,533	75,284	39,376
Income from Sale of Federal Funds	0	0	0	14,416
Interest on Deposits with Banks	45,206	56,580	53,645	64,197
INTEREST TOTAL INTEREST INCOME	32,665,124	31,207,581	28,549,658	25,553,273
INTEREST EXPENSE				
Deposits	1,828,190	2,084,638	2,442,088	3,015,824
Federal Funds Purchased	26	879	1,143	5,727
Other Borrowings	64,851	60,040	19,622	61,400
TOTAL INTEREST EXPENSE	1,893,067	2,145,557	2,462,853	3,082,951
NET INTEREST INCOME	30,772,057	29,062,024	26,086,805	22,470,322
Less: Allocation for Loan Losses	1,122,000	900,000	1,273,000	750,000
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOSSES				
Adjusted	29,650,057	28,162,024	24,813,805	21,720,322
OTHER REVENUES AND EXPENSES				
Commissions, Fees and Other Income	5,484,770	5,679,501	6,657,330	5,681,141
Gains (Losses) on Securities Transactions	697,062	327,215	233,387	480,402
Total Other Expenses before Income Tax	23,090,265	22,425,886	21,804,726	19,288,095
INCOME BEFORE FEDERAL INCOME TAX	12,741,624	11,742,854	9,899,796	8,593,770
Federal Income Taxes	3,622,794	3,538,073	2,894,874	2,700,000
Net Income After Federal Income Taxes	9,118,830	8,204,781	7,004,922	5,893,770



	2014	2013	2012	2011
ASSETS				
Cash & Due From Banks	54,973,022	35,806,979	34,504,779	63,533,077
Investment Securities	163,101,983	156,558,255	140,453,221	113,671,672
Federal Funds Sold	0	0	0	0
Federal Reserve Bank Stock/FHLB/FNBB/BIC	8,509,010	3,398,163	2,296,369	1,808,210
Loans, Net of Provision for Possible Loan Losses	543,955,154	504,723,994	474,395,603	445,879,667
Fixed Assets	16,760,223	17,396,836	16,557,212	17,306,093
Interest Earned, Not Collected	2,834,916	2,727,083	2,723,906	2,421,688
Other Assets	25,279,007	23,220,783	22,377,619	22,462,234
TOTAL ASSETS	815,413,315	743,832,093	693,308,709	667,082,641
LIABILITIES				
Deposits	712,604,671	654,167,318	596,972,396	589,183,411
Federal Funds Purchased	0	0	10,000,000	0
Other Borrowings	0	0	0	1,246,775
Other Liabilities	13,244,660	11,909,745	12,518,212	10,931,231
TOTAL LIABILITIES	725,849,331	666,077,063	619,490,608	601,361,417
CAPITAL ACCOUNTS				
Capital Stock	2,425,500	2,425,500	2,425,500	2,425,500
Surplus	87,138,484	75,329,530	71,392,601	63,295,724
TOTAL CAPITAL ACCOUNTS	89,563,984	77,755,030	73,818,101	65,721,224
TOTAL LIABILITIES & CAPITAL ACCOUNTS	815,413,315	743,832,093	693,308,709	667,082,641

Executive Management Team



The depth of this management team positions the company for future growth as well as in potential acquisitions. Each individual Executive has over 25 years of banking experience.

We completed the merger of Citizens Bank and Trust of Springhill into Citizens National Bank, N.A in 2011. The two top Executives, G. Kent Gibson and Tommy Boggs, became part of the Citizens National Executive Team after the merger. This structure has six Executive Vice Presidents with responsibility for every segment of the bank directly reporting to the Chief Executive Officer.



Woody C. Schick
President and Chief Executive Officer
wschick@citizensnb.com



Tommy Boggs
Executive Vice President
Retail Banking
Citizens National Investment
Division/Mortgage Lending Division
tboggs@citizensnb.com



G. Kent Gibson
Executive Vice President
Chief Operations Officer
gkent@citizensnb.com



Lyle Jeansonne
Executive Vice President
Chief Credit Officer
ljeansonne@citizensnb.com



Mark Johnson
Executive Vice President
Compliance/Loan Review
Audit/Human Resources
mjohnson@citizensnb.com



Jim Keel
Executive Vice President
Chief Financial Officer
jkeel@citizensnb.com



Jason D. Smith
Executive Vice President
Business Banking
jsmith@citizensnb.com



Citizens National Investment Services

Citizens National Investment Services helps customers develop an individualized investment strategy. The primary goal is to make certain our clients are given the best financial advice and personalized service. CNIS offers an array of product options that assist customers with non traditional banking services that fit their current needs and future goals.

From Left: Kimberly Leone, Debbie Rolland, Financial Advisor; Tim Chance, Financial Advisor; Lindsey Hall

Our Members

*30 Years



Kay Hughes
Joined Citizens in 1980

20-29 Years



Barbara W. Stewart
Joined Citizens in 1985



Jimmy Keel
Joined Citizens in 1985



Carole Mitchell
Joined Citizens in 1988



Dianne C. Hedrick
Joined Citizens in 1990



Todd Winkler
Joined Citizens in 1992



Jean Thorne
Joined Citizens in 1993



Kelly Miller
Joined Citizens in 1993



Jason D. Smith
Joined Citizens in 1994



John M. LeGrand, Jr.
Joined Citizens in 1994

10-19 Years



Jolene Rich
Joined Citizens in 1995



Deborah J. Wallace
Joined Citizens in 1995



Sandra R. Johnson
Joined Citizens in 1995



Faye McCutcheon
Joined Citizens in 1995



Lynna Rea Winkler
Joined Citizens in 1996



Pat McConathy
Joined Citizens in 1997



Nicole Wilhite
Joined Citizens in 1997



Rachel Maynard
Joined Citizens in 1997



Kent G. Gibson
Joined Citizens in 1997



Claudia Snoddy
Joined Citizens in 1998



Larry Ross, Sr.
Joined Citizens in 1999



Thomas A. Boggs
Joined Citizens in 1999



Lisa M. Stanford
Joined Citizens in 1999



Sandi Remedies
Joined Citizens in 1999



Ebbie Vest
Joined Citizens in 1999



Linda R. Burks
Joined Citizens in 2000



Stacy J. Dart
Joined Citizens in 2000



Janice A. Sanford
Joined Citizens in 2000



Linda G. Knighton
Joined Citizens in 2001



Cassandra Walker
Joined Citizens in 2001



Ella M. Greene
Joined Citizens in 2001



Sharon Phillips
Joined Citizens in 2001



Barbara L. Bolton
Joined Citizens in 2002



Theresa Stevenson
Joined Citizens in 2002



Gail McCadoo
Joined Citizens in 2002

* Employed by Citizens Bank & Trust of Springhill prior to merger.

10-19 Years Continued



Richard B. Lepore
Joined Citizens in 2001



Ray W. Huddleston
Joined Citizens in 2002



Sheila L. Mallard
Joined Citizens in 2002



Janet Parmer
Joined Citizens in 2002



Mark P. Johnson
Joined Citizens in 2002



Darryl Pruitt
Joined Citizens in 2003



Bryan K. Castleberry
Joined Citizens in 2003



Kathy Warlick
Joined Citizens in 2003



Kathy Shepard
Joined Citizens in 2004



Evelyn G. Germany
Joined Citizens in 2004



Barbara Terry
Joined Citizens in 2004



Becky Wallace
Joined Citizens in 2004

0-9 Years



Teri L. Ware
Joined Citizens in 2005



Mary Ann Gray
Joined Citizens in 2005



Carrie M. Adams
Joined Citizens in 2006



Rhonda Roton
Joined Citizens in 2006



Tina McKissack
Joined Citizens in 2006



Ryan Thomas
Joined Citizens in 2006



Deborah M. Bethea
Joined Citizens in 2006



Patty Raney
Joined Citizens in 2006



Trudy Thomas
Joined Citizens in 2006



Terry W. Shelton
Joined Citizens in 2007



Rita A. Koske
Joined Citizens in 2007



Judy C. Humphries
Joined Citizens in 2007



Angela M. Edwards
Joined Citizens in 2007



Lynsandra M. Ford
Joined Citizens in 2008



Nerlie A. Allen
Joined Citizens in 2008



Joy Nelson
Joined Citizens in 2008



Leigh Ann Teutsch
Joined Citizens in 2008



Patti L. Wise
Joined Citizens in 2008



Woody Schick
Joined Citizens in 2008



Lavonne Lewing
Joined Citizens in 2008



Billy M. Freeman
Joined Citizens in 2008



Teresa C. Johnson
Joined Citizens in 2008



Frank Cole Lollar
Joined Citizens in 2009



Henry W. Bridges
Joined Citizens in 2009



Nancy J Piper
Joined Citizens in 2009

0-9 Years Continued



Laci A. Lee
Joined Citizens in 2009



Kimberly D. Bailey
Joined Citizens in 2009



Christopher R. Willcox
Joined Citizens in 2009



Shirley R. White
Joined Citizens in 2009



Rebecca C. Bussiere
Joined Citizens in 2009



David K. Anderson
Joined Citizens in 2010



Patricia J. Hardy
Joined Citizens in 2010



Caree R. Bailey
Joined Citizens in 2010



Jana B. Johnston
Joined Citizens in 2010



Becky Mahony
Joined Citizens in 2010



Sacha A. Matthews
Joined Citizens in 2009



John D. Evans
Joined Citizens in 2009



Bri Creamer
Joined Citizens in 2009



Joel S. Bianca
Joined Citizens in 2009



Paul Templin
Joined Citizens in 2009



Maureen Lustberg
Joined Citizens in 2010



Chad M. Burgess
Joined Citizens in 2011



Janet P. Fowler
Joined Citizens in 2011



Heather L. Tavarez
Joined Citizens in 2011



Elizabeth L. Schales
Joined Citizens in 2011



Deborah L. Horton
Joined Citizens in 2009



Lindsey A. Hall
Joined Citizens in 2009



Beverly Y. Lee
Joined Citizens in 2009



Misty D. Pee
Joined Citizens in 2009



Kristin R. Rivers
Joined Citizens in 2010



Summer L. Malone
Joined Citizens in 2011



Cindy D. Aubrey
Joined Citizens in 2011



Deborah A. Rolland
Joined Citizens in 2011



Timothy L. Chance
Joined Citizens in 2011



Morgan R. Hesser
Joined Citizens in 2011



Melinda Whatley
Joined Citizens in 2010



Jessica M. Blackmon
Joined Citizens in 2010



Nicole L. Duck
Joined Citizens in 2010



Christy A. Shoalmire
Joined Citizens in 2010



Jane G. Leone
Joined Citizens in 2010



Michelle Byrd
Joined Citizens in 2011



Sheree Bailey
Joined Citizens in 2011



Candice P. Washington
Joined Citizens in 2011



Kimberly S. Nichols
Joined Citizens in 2011



Cheryl M. Smith
Joined Citizens in 2012



Chanda M. Nail
Joined Citizens in 2010



Kristina L. Yanich
Joined Citizens in 2010



Lisa M. Doyal
Joined Citizens in 2010



Adenah F. Lynch
Joined Citizens in 2010



Claudette L. Addison
Joined Citizens in 2010



Cindy Anding
Joined Citizens in 2012



Donnie Faith
Joined Citizens in 2012



Laurie Black
Joined Citizens in 2012



Cade Carpenter
Joined Citizens in 2012



Judy Wood
Joined Citizens in 2012

0-9 Years Continued



Stephanie Medford Dempsey
Joined Citizens in 2012



Debbie Jones
Joined Citizens in 2012



Lynn Womack
Joined Citizens in 2013



Brenda Isabella
Joined Citizens in 2013



Dana Brunson
Joined Citizens in 2013



Mary Bealer
Joined Citizens in 2014



Renee Rothenberger
Joined Citizens in 2014



Tammi Young
Joined Citizens in 2014



Donna Smith
Joined Citizens in 2014



Tyler Josey
Joined Citizens in 2014



Marissa Bates
Joined Citizens in 2013



Ben Desobry
Joined Citizens in 2013



Lacie Campbell
Joined Citizens in 2013



Lyle Jeansonne
Joined Citizens in 2013



Angela Grounds
Joined Citizens in 2013



Brandon Goree
Joined Citizens in 2014



Larry Melancon
Joined Citizens in 2014



Jessica Metcalf
Joined Citizens in 2014



Haley Golden
Joined Citizens in 2014



Paula Kline
Joined Citizens in 2014



Traci Wilhite
Joined Citizens in 2013



Stefani Smith
Joined Citizens in 2013



Wes Brint
Joined Citizens in 2013



Niki Price
Joined Citizens in 2014



Kim Leone
Joined Citizens in 2014



Rob Reagan
Joined Citizens in 2014



Reina Richardson
Joined Citizens in 2014



Tina DeLoach
Joined Citizens in 2014



Robyn Munska
Joined Citizens in 2014



Felicia C. Jones
Joined Citizens in 2014



Mary Allred
Joined Citizens in 2014



Wells Audrey Russell
Joined Citizens in 2014



Tyler C. Speckman
Joined Citizens in 2014



David Madrid
Joined Citizens in 2014



Melanie Jones
Joined Citizens in 2014



Pam Adams
Joined Citizens in 2014



Jacqueline Sadler
Joined Citizens in 2014



Wes Brantley
Joined Citizens in 2015



Jenny Jeane
Joined Citizens in 2015



Jackie Lacour
Joined Citizens in 2015



Joanna Ball
Joined Citizens in 2014



Season Bailey
Joined Citizens in 2014



Kathie Arnold
Joined Citizens in 2014



Rhonda Adams
Joined Citizens in 2014



Galyn Gillespie
Joined Citizens in 2014

Not Pictured: Cindy Sanders, joined Citizens in 2013

Board of Directors

“Our board is a representation of the communities we serve.”



L. Clary Anthony, Jr.
Board Member Since 1993
Retired Timber Man



David Fite
Board Member Since 2009
Oil & Gas Investments



Robert Garland
Board Member Since 1982
Retired Forester



John W. Garmany
Board Member Since 2009
Retired Banker



G. Kent Gibson
Board Member Since 1998
EVP & COO,
Citizens National Bank



Edward R. Glover
Board Member Since 1985
Retired Banker



Gerald Hawkins
Board Member Since 2002
Investor



Jay Hearnberger
Board Member Since 2001
Real Estate



Will Hubbard
Board Member Since 1990
Retired Banker



Glenn Jackson
Board Member Since 2005
Retired Banker



John McConathy
Board Member Since 1985
Retired Superintendent
Bossier Parish School Board



J. Kevin McCotter
Board Member Since 2003
McCotter Public
Strategies, LLC



Wayne McMahan
Board Member Since 2001
McMahan Veterinary Clinic



Mark L. Montgomery
Board Member Since 1985
Real Estate



James W. Rogers
Board Member Since 1985
Retired Dentist



Woody Schick
Board Member Since 2008
President & CEO,
Citizens National Bank



Ronnie Sheffield
Board Member Since 1991
Retired Banker



James P. Williams
Board Member Since 1998
Anesthesiologist



M. Dennis Wilson
Board Member Since 1985
Certified Public Accountant

The current Board of Directors are the result of a combination of founding Directors, additions through the years, and five Directors from the Citizens Bank and Trust of Springhill acquisition. Our Board is a representation of the communities we serve with individual knowledge in the areas of Timber, Oil & Gas, Real Estate, Construction, Education, Accounting, Medical, and Banking.

A Letter from The Chairman of the Board of Directors

The bank celebrates 30 years of service this year to the Shreveport and Bossier community and surrounding areas. During this time, Citizens National Bank grew to 14 branches throughout five parishes in Louisiana. The bank's success relies on the community's patronage and dedicated employee support.

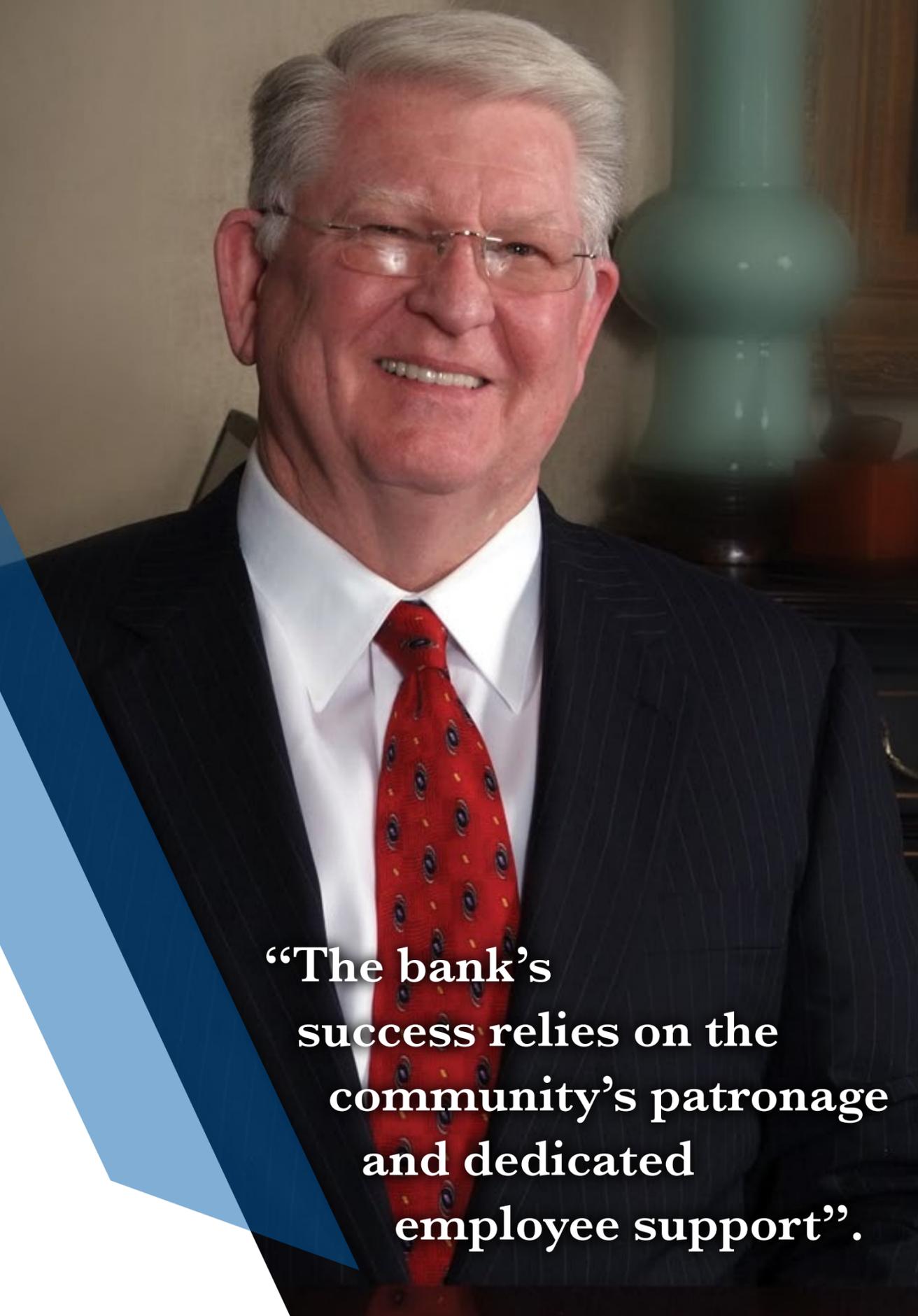
In April 2014, John McConathy retired as Chairman of the Board of Citizens National Bank and now serves on the Board of Directors. As a cofounder of the bank, Mr. McConathy served as the Chairman of the Board for the last 25 years. Under Mr. McConathy's guidance and leadership, the bank grew to new heights that set a lasting standard for the employees that serve the customers of the bank.

My relationship with Citizens National Bank began during the early years of conception. After serving as the bank's President and Chief Executive Officer for 18 years, I retired from the day-to-day operations to begin the role as the Vice Chairman of the Board and continued this role for the next five years. I feel honored to continue my relationship with the bank as Chairman of the Board of Directors. My focus continues to maintain the financial growth of the bank and the community we serve. We pride ourselves in being **"Your Kind of Bank"**.

SINCERELY,



WILL HUBBARD, CHAIRMAN
OF THE BOARD OF DIRECTORS



"The bank's success relies on the community's patronage and dedicated employee support".



citizensnb.com

