

The second quarter of 2010 continued to show gains over the same period last year. Total assets at June 30, 2010 stood at \$511,666,000, up 3.6% from the same period last year. Deposits grew by \$20.9 million or 5.1% over the same period. We were pleased to close \$28.4 million in new loans during this period.

Our Colorado market welcomed four new team members as we bid adieu to Steven Strunk, who was tapped to become Colorado State Banking Commissioner. We are pleased to introduce Steve Ingham, President, Colorado Market; Terry Darby, Vice President; Candy Molter, Vice President; and Cory Martinez, Assistant Vice President. All four have distinguished careers in banking in the Colorado market and we invite you to make their acquaintance.

You may have noticed that our website has been refreshed. Included are some new functions as well. Anyone wishing to open a new account or apply for a consumer loan can complete the basic paperwork online and set a convenient appointment time to complete the process.

The Vault offers direct links to sites that help you prevent and defend against fraud and identity theft. We also have some financial literacy tools available for kids.

Sincerely,



George M. Drew
President & CEO

ASSETS

Cash & Due from Banks	\$72,274,000
Fed Funds Sold	771,000
Securities & Investments	139,993,000
Loans & Discounts, Net	280,021,000
Premises, Furniture & Equipment	7,715,000
Other Assets	10,892,000
TOTAL ASSETS	\$511,666,000

LIABILITIES & EQUITY

Non-Interest-Bearing Deposits	60,575,000
Interest-Bearing Deposits	369,809,000
Borrowings	31,750,000
Other Liabilities	937,000
TOTAL LIABILITIES	\$463,071,000
Common Stock	1,152,000
Paid-In Capital	13,668,000
Retained Earnings	31,546,000
Accumulated Other Comp. Income	2,229,000
TOTAL EQUITY	\$48,595,000

TOTAL LIABILITIES & EQUITY **\$511,666,000**