



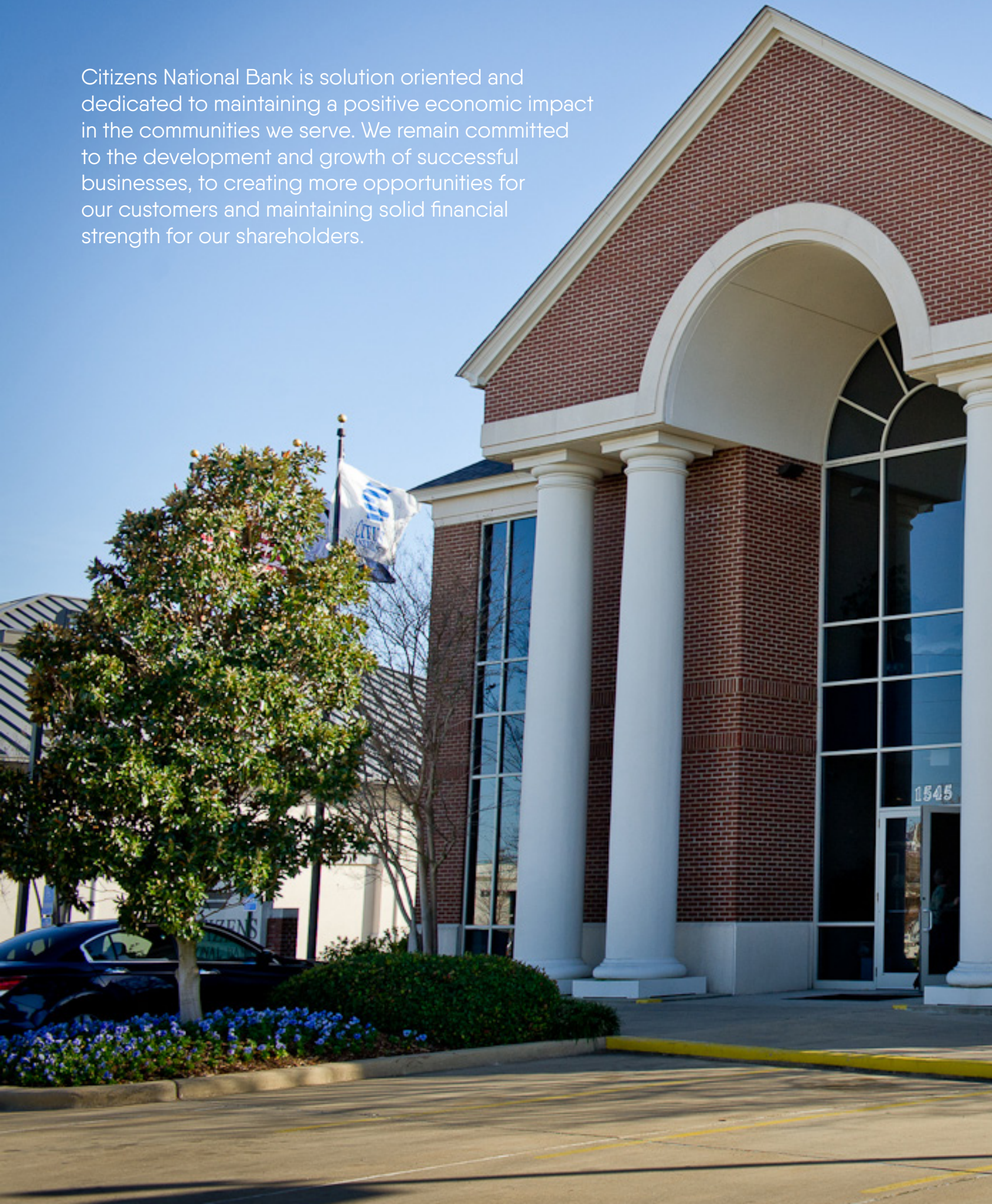
2018 ANNUAL  
**REPORT**



**CITIZENS**  
NATIONAL BANK



Citizens National Bank is solution oriented and dedicated to maintaining a positive economic impact in the communities we serve. We remain committed to the development and growth of successful businesses, to creating more opportunities for our customers and maintaining solid financial strength for our shareholders.





# Locations

## Bossier City

Main Office  
2711 E. Texas Street  
(318) 747-6000

## Benton Road

2005 Benton Road  
(318) 747-8888

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## Mansfield Road

9237 Mansfield Road  
(318) 688-2265

## East 70th Street

1545 E. 70th Street  
(318) 797-7707

## Southeast Shreveport

9220 Ellerbe Road, Ste. 800  
Ellerbe Village  
(318) 629-0010

## Beaird Tower

Downtown Shreveport  
330 Marshall Street, Ste. 120  
Beaird Tower  
(318) 629-3921

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## Plain Dealing

102 N. Forrest Road  
(318) 326-5544

## Mansfield

94 Polk Street  
(318) 872-0044

## Haughton

401 W. McKinley Ave  
(318) 949-0422

## Haynesville

9865 Hwy 79  
(318) 624-9898

## Minden

1176 Homer Road  
(318) 382-0080

## Springhill

18 Machen Drive  
(318) 539-5656





A LETTER FROM THE  
**PRESIDENT & CHIEF EXECUTIVE OFFICER**



Dear Fellow Shareholder:

Together with your Executive Management Team, I am proud to present the 2018 edition of the annual report of Citizens National Bancshares of Bossier, Inc. and its wholly owned subsidiary Citizens National Bank, N.A. In addition to highlighting the financial position and performance of the company in 2018, the report includes a glimpse into the culture of your bank. I encourage you to read the examples we have shared of values carried out that we believe are foundational to the success of Citizens National Bank's shareholders, customers, community and the Citizens family.

For our shareholders, we are continuing to find ways to be more efficient as we grow and leverage technology to produce a better return on your investment. With asset growth of in excess of \$45,000,000 (4.9%) and Return on Average Equity of 11.5%, we are especially proud of the bank's performance this year. Our primary mission is that you may continue to experience a solid return on your investment in the company.

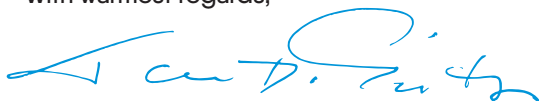
For our customers, we strive to provide competitive and innovative products and the high quality customer service that make our bank different from others. All across Northwest Louisiana customers both old and new are experiencing the Citizens difference. We recognize that our company's success is dependent on the success of our customers and the communities we share with them. Therefore, we continue to invest, spend and hire primarily in our local community.

For our community, our team volunteered in excess of 1,600 hours of outreach and support for financial literacy, education, the arts, the disadvantaged and the greater good of Northwest Louisiana. Our company demonstrates its commitment to our area by encouraging every employee to serve four hours per quarter in a way that positively impacts our community. Volunteerism also contributes to the high quality work environment and atmosphere of personal enrichment that we strive to maintain for our team, the Citizens family.

For our Citizens family, we appreciate that in order to thrive we must provide a work environment that allows members of our team to take advantage of their diverse skill sets, while focusing on both company and community leadership and maintaining a healthy work-life balance. We are honored to have been recognized nationally by American Banker magazine as a "Best Bank to Work For" and locally, for the third consecutive year, by Biz Magazine as a "Best Place to Work in Northwest Louisiana" for our commitment to these ideals.

We sincerely hope you are as proud to be a part of the success of our organization as we are. As we continue to grow, we will not lose sight of our commitment to our shareholders, customers, community and staff. It is our mission to grow better as we grow bigger, rather than simply grow for the sake of growing.

With warmest regards,



Jason D. Smith  
President & Chief Executive Officer





A LETTER FROM THE  
**CHAIRMAN OF**  
**THE BOARD OF DIRECTORS**



Dear Fellow Shareholder,

Our commitment to the communities we serve is as strong today as it was over thirty years ago when Citizens National Bank was first organized. On behalf of our Board of Directors, I want to thank you for allowing Citizens the opportunity to provide financial services to you, your family and your businesses. Your support as a shareholder and loyalty as a customer are greatly appreciated.

The Board of Directors is committed to serving our shareholders and community and being responsible community leaders. Our success in these endeavors can be directly attributed to our dedicated employees and management team. Our community footprint has expanded from a single location in Bossier City to one of the ten largest community banks in the state serving the parishes of Bossier, Caddo, Claiborne, DeSoto and Webster.

Joining the Board in 2018 was local business leader Mark Porter. During his first year of service, Mark has added value and contributed to the Board. He shares our passion for being “the” community bank for Northwest Louisiana.

On a somber note, this past year the Citizens National Bank family said goodbye to two of its much loved members. Clary Anthony served on both the Citizen Bank and Trust of Springhill and Citizens National Bank Boards of Directors. Even after his retirement, Clary was committed to the company’s success and served as a friend and mentor to the Board and staff. In 2018 we also mourned the loss of Ronnie Sheffield. Ronnie joined the Bank in 1991 as Executive Vice President and Senior Lending Officer. In 2004 he was promoted to President and Chief Operations Officer. He served on the Board of Directors until his passing.

As we move into 2019 and beyond, we look forward to maintaining a culture where our shareholders, customers and employees realize their dreams and goals. We know that as these goals are realized, our company will be successful for years to come. Thank you again for being an important part of our success.

Respectfully,



Mark L. Montgomery  
Chairman Of The Board Of Directors



# EXECUTIVE MANAGEMENT TEAM





**Chris Willcox**  
Senior Vice President &  
Chief Financial Officer

**Tommy Boggs**  
Executive Vice President  
Retail Banking

**Mark Johnson**  
Executive Vice President  
Loan Review, Audit &  
Compliance

**Jason D. Smith**  
President & Chief  
Executive Officer

**Charles C. Coleman**  
Executive Vice President  
Business Banking

**Bill Allred**  
Senior Vice President &  
Chief Technology Officer

**Lyle Jeansonne**  
Executive Vice  
President & Chief  
Credit Officer





STATEMENT OF

# INCOME & EXPENSES

# FINANCIAL HIGHLIGHTS

INTEREST INCOME		2018
<b>LOANS:</b>		
Individuals, Partnerships & Corporations		34,592,568
<b>INVESTMENT SECURITIES:</b>		
Taxable		1,974,967
Non-Taxable		1,970,398
Dividends		62,408
<b>Interest on Deposits with Banks</b>		630,374
<b>TOTAL INTEREST INCOME</b>		<b>39,230,715</b>
<b>INTEREST EXPENSE</b>		
Deposits		4,274,024
Federal Funds Purchased		6,892
Other Borrowings		198,645
<b>TOTAL INTEREST EXPENSE</b>		<b>4,479,561</b>
<b>NET INTEREST INCOME</b>		34,751,154
Less: Allocation for Loan Losses		1,500,000
<b>NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOSSES</b>		
Adjusted		33,251,154
<b>OTHER REVENUES AND EXPENSES</b>		
Commissions, Fees and Other Income		7,416,403
Gains (Losses) on Securities Transactions		-
Total Other Expenses before Income Tax		25,658,594
<b>INCOME BEFORE FEDERAL INCOME TAX</b>		<b>15,008,963</b>
Federal Income Taxes		2,495,660
Net Income After Federal Income Taxes		12,513,303



ASSETS		2018
Cash & Due From Banks		73,816,372
Investment Securities		161,646,440
Other Investments		4,267,370
Loans, Net of Provision for Possible Loan Losses		675,447,665
Fixed Assets		14,569,010
Interest Earned, Not Collected		3,668,419
Other Assets		30,788,953
<b>TOTAL ASSETS</b>		<b>964,204,229</b>
<b>LIABILITIES</b>		
Deposits		845,702,820
Other Liabilities		15,711,243
<b>TOTAL LIABILITIES</b>		<b>861,414,063</b>
<b>CAPITAL ACCOUNTS</b>		
Capital Stock		2,425,500
Surplus		100,364,666
<b>TOTAL CAPITAL ACCOUNTS</b>		<b>102,790,166</b>
<b>TOTAL LIABILITIES &amp; CAPITAL ACCOUNTS</b>		<b>964,204,229</b>



# FAREWELL **LUTHER CLARY ANTHONY, SR.** 1924-2018



It's with heavy hearts that we said goodbye to a vibrant member of the CNB family. Clary Anthony was appointed to the position of Director Emeritus on the Board of Directors for Citizens National Bank.

Mr. Anthony had a rich and rewarding life. Born on October 1, 1924, in Hopeville, AR, to Frank and Effie Anthony, he was the sixth of eight children. At the early age of 10, Clary started his career in the forest products industry by working as a water boy in his father's sawmill where he was paid 10 cents an hour. He saved his money and bought a Model T for \$7.50 even though he did not know how to drive, and on his way home the day of his purchase, he wrecked his car by running into a pile of logs.

Mr. Anthony began his education in Hopeville and Calion, AR. Then he attended high school at Southwestern High School in Fort Worth. He also attended Texas Wesleyan College in Fort Worth and North Texas Agricultural College in Arlington, TX.

World War II changed his educational plans. He joined the U.S. Navy in 1943 and graduated from Notre Dame's Midshipmen School and began training to be a Navy pilot. He spoke often of his training and of how dangerous the training missions were. During his flight training, the Navy decided it did not need more pilots so he was sent to learn how to operate the Higgins landing craft. He noted that they were called „ensign disposal units!“ Before he completed that training, the Navy reassigned him to resume his pilot training, and he was still in training when the war ended in 1945.

After the war, Mr. Anthony moved his family to Springhill, LA, to manage the family business, the Springhill Lumber Company. By the mid sixties, the Anthony family incorporated all of the family businesses and became Anthony Forest Products Company, Inc. He retired in 1997 but remained active in company affairs as Chairman Emeritus of the Board. He also served as Chairman of the Board of Directors of the Southern Forest Products Association.

In 1955, Citizens Bank and Trust Company opened for business in Springhill and in 1958; Mr. Anthony was elected to the Board of Directors of Citizens Bank & Trust where he served as Chairman of the Board for several years. On September 19, 2006, the Board of Directors of the Louisiana Bankers Association recognized Mr. Anthony for his 48 years of distinguished service in the banking business. Mr. Anthony remained a stockholder of Citizens National Bank until his death this past year.

# REMEMBERING **RONNIE DEAN “BEAR” SHEFFIELD** 1950-2018

With his passing this past year, Ronnie Sheffield leaves behind a legacy of compassion and sincere love for his fellow human beings. Nicknamed “Bear,” Ronnie was a true “people-person.” He began his banking career in 1973, joining Citizens National Bank in 1991 as Executive Vice President and Senior Lending Officer. He became President and Chief Executive of the bank in 2004 and served on the Board of Directors from 2008 to 2018.



Ronnie Bear seemed to know everybody in town. He had a special gift for remembering not only the names of his associates but also the names of their parents and grandparents. People naturally gravitated to him because of his genuine nature and his ability to communicate with practically everyone.

Ronnie was an avid sports fan of LSU football and the Dallas Cowboys. An athlete in his own right, Ronnie boxed at Irish McNeil's Gym as a youth and was a competitor in the Golden Gloves arena.

Cherishing his memory are his wife, Donna; her sons, Jeffrey and Clay; and a host of close family members. “Bear” or “Sasquatch,” his Citizens National Bank nickname because of his show size, has left his footprints on the hearts of so many people in Shreveport and Bossier City.



# WELCOME **MARK PORTER**

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2018 brought the addition of a new member to our Board of Directors. Mark Porter, a prominent business owner in Shreveport–Bossier City, brings a wealth of business knowledge and a sincere love for his community. Better known for Porter’s Fine Dry Cleaning, he also has Porter’s Industrial, a company that cleans uniforms, mats, mops and provides janitorial products throughout the Ark-La-Tex. Mark is also involved in commercial and residential real estate interests that include beach rentals in Gulf Shores, AL.

A lifelong Caddo/Bossier resident, he is a past President of the Red River Revel and the Shreveport Better Business Bureau. The Shreveport Optimist Club named him Mr. Shreveport 2002. His commitment to his community prompted him to start the Coats for Kids program. Customers are encouraged to donate gently used coats to the Porter’s Fine Dry Cleaning locations where they are cleaned and distributed to kids throughout the area who would otherwise go unprotected in the winter months. Porter began Coats for Kids 30 years ago and the program has become a Shreveport Bossier institution.

Porter is a 1976 graduate of Captain Shreve High School and a 1980 graduate of Louisiana Tech where he earned a Bachelor’s degree in Personnel Management. He is married to Kate and they have seven children and four grandchildren between them.

He shares our passionate goal of being “the” community bank of North Louisiana for many years to come. We are happy to have such a fine individual in the CNB family.



# CONGRATULATIONS **SHERB SENTELL III**

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“Congratulations” doesn’t adequately express our compliments for Citizens National Bank Board Member Judge Sherb Sentell III. This past year, Sherb was promoted to Brigadier General in the Army Reserve. He stands as a worthy testament to the caliber of men and women who serve on the Board of Citizens National Bank. He has served his country and the Minden community in countless ways.

As an Army Airborne Ranger, Sherb served in both Operation Desert Storm and Operation Iraqi Freedom where he was awarded the Army meritorious Service Medal four times and received two Bronze Stars.

Sherb is a partner in the Sentell Law Firm in Minden, Louisiana. He earned his Juris Doctor degree from the Law School at Louisiana State University and holds a Master’s Degree in strategic studies from the U.S. Army War College in Carlisle, Pennsylvania. He was elected City Judge for Ward 1 of Webster Parish in 2014.

After being elected Judge, Sentell started a new program for at-risk juveniles who could benefit from life skills training. Launched in August of 2016, “CC-READY” stands for City Court Resiliency, Evaluation, Ambition and Direction for Youth. The four-class program focuses on teaching youth about discipline, self-respect, the importance of pursuing education and developing a healthy respect for authority. “CC-READY” is offered quarterly under the auspices of Project Reclaim at no cost to families.

Sherb Sentell will, no doubt, continue to make his family and friends, the community of Minden as well as his Citizens National Bank family proud of his endeavors.





# CNBE COMMUNITY

## **OUR COMMITMENT:**

Chartered in 1985, Citizens National Bank is a community bank operating in the Bossier City/Shreveport market area. Our focus is serving both businesses and consumers right here in North Louisiana.

With local management and local ownership, Citizens National Bank can maintain a strong presence in the community while returning the strength of capital to the market area.

Our Board of Directors is committed to the growth of the com-

munity and the stability of the bank. Our officers and employees are committed to providing a high level of customer service – the service you expect.

Citizens National Bank offers a variety of banking products and services for both consumers and businesses.

## **COMMUNITY INVOLVEMENT:**

Citizens National Bank, N.A. is committed to being a better place to bank. Not only in the way we do business, but also in our involvement in the community.







We strongly believe in putting people first, the power of community, and our corporate responsibility of giving back. Through our CNBe Community Employee Volunteer Program, Citizens National Bank is partnering with non-profit organizations in order to make a bigger and more positive impact in the communities those organizations serve. CNBe Community has played an integral part in promoting employee professional development while benefitting the community.

Corporate social responsibility is so much more than monetary donations to a non-profit. CNBe Community volunteers are ex-

posed to new challenges that they might not have the opportunity to experience otherwise. It's an effective way to develop and improve business, leadership and communication skills.

CNBe Community is also a path for our employees to become happier and closer to their colleagues – a major benefit to Citizens National Bank. It has come to play an essential role in maintaining a good corporate reputation while increasing our efforts to improve the communities we serve. Our employees and management teams work side by side to help shape, inspire and engage even more people in our area.



We believe in putting  
**PEOPLE  
FIRST.**





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