

COLONY BANKCORP INC
Form PRE 14A
April 07, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No. ____)

Filed by the Registrant x

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Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Colony Bankcorp, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies: N/A
 - (2) Aggregate number of securities to which transaction applies: N/A
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): N/A
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- (3) Filing Party: N/A

(4)Date Filed: N/A

COLONY BANKCORP, INC.
Post Office Box 989
115 South Grant Street
Fitzgerald, Georgia 31750

PROXY STATEMENT
FOR
ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD
May 27, 2014

This proxy statement is furnished to the shareholders of Colony Bankcorp, Inc. in connection with the solicitation of proxies by its Board of Directors to be voted at the 2014 Annual Meeting of Shareholders and at any adjournments thereof (the "Annual Meeting"). The Annual Meeting will be held on Tuesday, May 27, 2014, at Colony Bankcorp, Inc. Corporate Offices at 115 South Grant Street, Fitzgerald, Georgia, at 2:00 p.m. local time.

The approximate date on which this proxy statement and the accompanying proxy card are first being sent or given to shareholders is April 26, 2014.

As used in this proxy statement, the terms Colony Bankcorp, Company, Colony, we, our and us all refer to Colony Bankcorp, Inc. and its subsidiary.

Notice Regarding The Internet Availability Of Proxy Materials

We have posted materials related to the 2014 annual meeting on the Internet. The following materials are available on the Internet at <http://materials.proxyvote.com/19623P>:

§ This proxy statement for the 2014 annual meeting,
§ Colony's 2013 annual report to shareholders, and
§ Colony's annual report on Form 10-K filed with the Securities and Exchange Commission.

VOTING

General

The securities which can be voted at the Annual Meeting consist of Colony Bankcorp's \$1.00 par value common stock ("Colony Bankcorp stock"), with each share entitling its owner to one vote on each matter submitted to the shareholders. The record date for determining the holders of Colony Bankcorp stock who are entitled to notice of and to vote at the Annual Meeting is April 15, 2014. On the record date, 8,439,258 shares of Colony Bankcorp stock were outstanding and eligible to be voted.

Quorum and Vote Required

The presence, in person or by proxy, of a majority of the outstanding shares of Colony Bankcorp stock is necessary to constitute a quorum at the Annual Meeting. In determining whether a quorum exists at the Annual Meeting for purposes of all matters to be voted on, all votes “for” or “against” as well as all abstentions (including votes to withhold authority to vote) will be counted.

In voting for the proposal to elect nine directors (Proposal No. 1), you may vote in favor of all nominees or withhold your votes as to all or as to specific nominees. The vote required to approve Proposal No. 1 is governed by Georgia law and is a plurality of the votes cast by the holders of shares entitled to vote, provided a quorum is present. Any other matter which may be submitted to shareholders at the meeting will be determined by a majority of the votes cast at the meeting, excluding abstentions, votes withheld, and broker non-votes, which will not be counted and will have no effect.

In voting on the proposal to approve the advisory (non-binding) vote on executive compensation (Proposal No. 2), you may vote for or against the proposal or abstain. The proposal will be deemed approved if a majority of the votes cast at the meeting are voted for Proposal No. 2, excluding abstentions, votes withheld, and broker non-votes, which will not be counted and will have no effect. The vote is advisory, and will not be binding upon the directors.

In voting on the proposal to approve an amendment to the Company’s articles of incorporation (Proposal No. 3), you may vote for or against the proposal or abstain. The proposal will be deemed approved if a majority of the votes cast at the meeting are voted for Proposal No. 3, excluding abstentions, votes withheld, and broker non-votes, which will not be counted and will have no effect.

As of March 15, 2014 our directors and executive officers held 1,133,448 shares of Colony Bankcorp stock, or approximately 13.43% of all outstanding stock, and we believe that all of those shares will be voted in favor of all proposals.

Proxies

All properly executed proxy cards delivered pursuant to this solicitation and not revoked will be voted at the Annual Meeting in accordance with the directions given. In voting by proxy with regard to the election of directors, you may vote in favor of all nominees, withhold your votes as to all nominees or withhold your votes as to specific nominees. You should specify your choices on the proxy card. If no specific instructions are given with regard to the matters to be voted upon, the shares represented by a signed proxy card will be voted “for” the proposals listed on the proxy card. If any other matters properly come before the Annual Meeting, the persons named as proxies will vote upon such matters according to their judgment.

All proxy cards delivered pursuant to this solicitation are revocable at any time before they are voted by giving written notice to our Secretary, Terry L. Hester, at 115 South Grant Street, Fitzgerald, Georgia 31750, by delivering a later dated proxy card, or by voting in person at the Annual Meeting.

All expenses incurred in connection with the solicitation of proxies will be paid by us. Solicitation may take place by mail, telephone, telegram, or personal contact by our directors, officers, and regular employees of the Company without additional compensation. The Annual Report of the Company for the year 2013, which includes the Audited Consolidated Financial Statements and accompanying Notes and Managements’ Discussion and Analysis of Financial Condition and Results of Operations, accompanies this proxy statement.

BUSINESS OF THE COMPANY

Colony Bankcorp, Inc. (the “Company”) is a Georgia business corporation which was incorporated on November 8, 1982. The Company was organized for the purpose of operating as a bank-holding company under the Federal Bank-Holding Company Act of 1956, as amended, and the bank-holding company laws of Georgia. On July 22, 1983, the Company, after obtaining the requisite regulatory approvals, acquired 100 percent of the issued and outstanding common stock of Colony Bank (formerly The Bank of Fitzgerald and Colony Bank of Fitzgerald), Fitzgerald, Georgia, through the merger of the Bank with a subsidiary of the Company which was created for the purpose of organizing the Bank into a one-bank holding company. Since that time, Colony Bank has operated as a wholly-owned subsidiary of the Company. The Company effected a merger of its subsidiary banks on August 1, 2008 into one surviving subsidiary bank, Colony Bank, while at the same time changing the name of the subsidiary bank, Colony Bank of Fitzgerald, to Colony Bank.

On April 30, 1984, the Company acquired 100 percent of the issued and outstanding common stock of Colony Bank Wilcox (formerly Pitts Banking Company and Community Bank of Wilcox), Pitts, Wilcox County, Georgia in an all stock transaction. Since the date of acquisition, the Bank operated as a wholly-owned subsidiary of the Company until Colony Bank Wilcox was merged into Colony Bank effective August 1, 2008.

On November 1, 1984, the Company acquired 100 percent of the issued and outstanding common stock of Colony Bank Ashburn (formerly Ashburn Bank), Ashburn, Turner County, Georgia for a combination of cash and interest-bearing promissory notes. Since the date of acquisition, the Bank operated as a wholly-owned subsidiary of the Company until Colony Bank Ashburn was merged into Colony Bank effective August 1, 2008.

On September 30, 1985, the Company acquired 100 percent of the issued and outstanding common stock of Colony Bank of Dodge County (formerly The Bank of Dodge County), Eastman, Dodge County, Georgia in an all stock transaction. Since the date of acquisition, the Bank operated as a wholly-owned subsidiary of the Company until Colony Bank of Dodge County was merged into Colony Bank effective August 1, 2008.

On July 31, 1991, the Company acquired 100 percent of the issued and outstanding common stock of Colony Bank Worth (formerly Worth Federal Savings and Loan Association and Bank of Worth), Sylvester, Worth County, Georgia in a cash and stock transaction. Since the date of acquisition, the Bank operated as a wholly-owned subsidiary of the Company until Colony Bank Worth was merged into Colony Bank effective August 1, 2008.

On November 8, 1996, the Company organized Colony Management Services, Inc. to provide support services to each subsidiary. Services include loan and compliance review, internal auditing and data processing. Colony Management Services, Inc. operated as a wholly-owned subsidiary of the Company until Colony Management Services, Inc. was merged into Colony Bank effective August 1, 2008.

On November 30, 1996, the Company acquired 100 percent of Colony Bank Southeast (formerly Broxton State Bank), Broxton, Coffee County, Georgia in an all stock transaction. Since the date of acquisition, the Bank operated as a wholly-owned subsidiary of the Company until Colony Bank Southeast was merged into Colony Bank effective August 1, 2008.

On March 2, 2000, Colony Bank Ashburn purchased the capital stock of Colony Mortgage Corp (formerly Georgia First Mortgage Company) in a business combination accounted for as a purchase. Colony Mortgage Corp is primarily engaged in residential real estate mortgage lending in the state of Georgia. Colony Mortgage Corp operated as a subsidiary of Colony Bank effective with the August 1, 2008 merger until October 1, 2012 when the corporation was dissolved.

On March 29, 2002, the Company acquired 100 percent of Colony Bank Quitman, FSB (formerly Quitman Federal Savings Bank), Quitman, Brooks County, Georgia in a cash and stock transaction. Since the date of acquisition, the Bank operated as a wholly-owned subsidiary of the Company until Colony Bank Quitman, FSB was merged into Colony Bank effective August 1, 2008.

On March 19, 2004, Colony Bank Ashburn purchased Flag Bank – Thomaston Office in a business combination accounted for as a purchase. Since the date of acquisition, the Thomaston office operated as a branch office of Colony Bank Ashburn until August 1, 2008 when it became a branch office of Colony Bank.

On June 17, 2004, Colony formed Colony Bankcorp Statutory Trust III for the purpose of establishing a special purpose entity to issue trust preferred securities.

On April 13, 2006, Colony formed Colony Bankcorp Capital Trust I for the purpose of establishing a special purpose entity to issue trust preferred securities.

On March 12, 2007, Colony formed Colony Bankcorp Capital Trust II for the purpose of establishing a special purpose entity to issue trust preferred securities. Proceeds from this Trust were used to pay off trust preferred securities issued on March 26, 2002 through Colony Bankcorp Statutory Trust I.

On September 14, 2007, Colony formed Colony Bankcorp Capital Trust III for the purpose of establishing a special purpose entity to issue trust preferred securities. Proceeds from this Trust were used to pay off trust preferred securities issued on December 19, 2002 through Colony Bankcorp Statutory Trust II.

Colony Bankcorp, Inc. is a bank holding company headquartered in Fitzgerald, Georgia that consists of one operating subsidiary, Colony Bank. The Company conducts a general full service commercial, consumer and mortgage borrowing business through twenty-nine offices located in the central, south and coastal Georgia cities of Albany, Ashburn, Broxton, Centerville, Chester, Columbus, Cordele, Douglas, Eastman, Fitzgerald, Leesburg, Moultrie, Pitts, Quitman, Rochelle, Savannah, Soperton, Sylvester, Thomaston, Tifton, Valdosta and Warner Robins.

Because Colony Bankcorp, Inc. is a bank-holding company, its principal operations are conducted through its subsidiary bank. It has 100% ownership of its subsidiary and maintains systems of financial, operational and administrative controls that permit centralized evaluation of the operations of the subsidiary bank in selected functional areas including operations, accounting, marketing, investment management, purchasing, human resources, computer services, auditing, compliance and credit review.

Responsibility for management of the bank remains with its respective Board of Directors and officers. Services rendered by the Company are intended to assist bank management and to expand the scope of available banking services.

Colony Bankcorp, Inc. common stock is quoted on the NASDAQ Global Market under the symbol "CBAN".

EMPLOYEES

As of December 31, 2013, Colony Bankcorp, Inc. and its subsidiaries employed 311 full-time employees and 17 part-time employees.

Proposal No. 1 Election of Directors

Our Board of Directors consists of nine members, seven of whom are non-employee directors. The Company's bylaws provide that the Board of Directors shall consist of not less than three nor more than twenty-five persons, with the exact number to be fixed and determined from time to time by resolution of the Board of Directors, or by resolution of the shareholders at any annual or special meeting of shareholders.

The Board of Directors has voted that the Board consist of nine members for the Company's ensuing fiscal year.

The Nomination Committee, consisting of independent directors B. Gene Waldron, Jonathan W.R. Ross, Mark Massee and Jerry Harrell, recommended to the full Board a slate of directors for consideration in the shareholders proxy for the Annual Meeting. The Board of Directors, based on the Nomination Committee recommendations, has nominated the following persons for submission to the shareholders for election for a one-year term expiring at the 2015 annual meeting:

Scott L. Downing	Edward P. Loomis, Jr.
M. Frederick Dwozan, Jr.	Mark H. Massee
Edward J. Harrell	Jonathan W.R. Ross
Terry L. Hester	B. Gene Waldron
Davis W. King, Sr.	

Each of the nominees is currently a director.

The Board of Directors recommends that you vote "FOR" the proposal to elect the nine nominees names above.

Each of the nominees has consented to serve if elected. If any nominee should be unavailable to serve for any reason, the Board may designate a substitute nominee (in which event the persons named as proxies will vote the shares represented by all valid proxy cards for the election of such substitute nominee), allow the vacancy to remain open until a suitable candidate is located, or reduce the number of directors.

Information as of December 31, 2013 about each of the nominees is set forth below. Their ownership of Colony Bankcorp stock is set forth in the table on page thirteen.

Directors and Nominees

Scott L. Downing. Mr. Downing, age 42, is the President of SDI Investments. Mr. Downing is very active in community affairs and is currently serving as Vice Chair ACCG for Economic Development, Ben Hill County Commissioner and Hospital Foundation Board Member. He previously served as a Director of the Colony Bank Fitzgerald charter until the merger in 2008 and presently serves as an advisory board member of Colony Bank Fitzgerald office since 2008. Mr. Downing has been a Director of Colony Bankcorp since January 2012.

The Board of Directors believes that Mr. Downing's broad business background dealing with regulatory issues and bank board experience will provide invaluable expertise in oversight and setting policy for the company and makes him an excellent candidate for Director of the Company.

M. Frederick Dwozan, Jr. Mr. Dwozan, age 64, is the President/CEO/Owner of Hospice Care Options, I.V. Care Options, D&B Homecare, and Prescription Shop. These entities provide care to critically ill patients with home IV therapy, nutritional support, pain and disease management, hospice care, and medical equipment in 68 Georgia counties. He previously served as a Director of Colony Bank Dodge until the merger in 2008 and presently serves as an advisory board member of Colony Bank Dodge office since 2008. Mr. Dwozan has been a Director of Colony Bankcorp since January 2012.

The Board of Directors believes that Mr. Dwozan's broad business and bank board experience will provide invaluable expertise in oversight and setting policy for the company and makes him an excellent candidate for Director of the Company.

Edward J. Harrell. Mr. Harrell, age 69, is a Partner of the Macon law firm, Martin Snow, LLP where he has been affiliated the past forty-five years. Mr. Harrell has served as a Director of Colony Bank since the Company merger in August 2008. Mr. Harrell has been a Director of Colony Bankcorp since December 2002 and served as Vice Chairman of the Board from May 2008 until June 2013.

The Board of Directors believes that Mr. Harrell's legal expertise and his experience in the banking industry makes him an excellent candidate for Director of the Company.

Terry L. Hester. Mr. Hester, age 59, has been Executive Vice President and Chief Financial Officer of Colony Bankcorp since June 1994 and Secretary of Colony Bankcorp since May 2003. He also served as Acting President and Chief Executive Officer from June 1993 to June 1994 and has served as Treasurer since 1982. Mr. Hester has served as a Director of Colony Bank since the Company merger in August 2008. He previously served as a Director of Colony Bank Wilcox and Quitman charters until the merger in 2008 and presently serves as an advisory board member of Colony Bank Wilcox and Quitman offices since 2008. Mr. Hester has been a Director of Colony Bankcorp since March 1990.

The Board of Directors believes that Mr. Hester's experience as an accountant and his experience in the banking industry makes him an excellent candidate for Director of the Company.

Davis W. King, Sr. Mr. King, age 68, is Chairman/President of King Enterprise and Associates, Inc. and has been involved in the operations and ownership of long term health care facilities for the past forty-five years. He served as assistant administrator of three facilities and administrator of Palmyra Nursing Home, Inc. At present, Mr. King serves on the Georgia Health Care Association Owner-Operator Reimbursement and Legislative Committees. He previously served as a Director of Colony Bank Worth until the merger in 2008 and presently serves as an advisory board member of Colony Bank Worth office since 2008. Mr. King has been a Director of Colony Bankcorp since January 2012.

The Board of Directors believes that Mr. King's broad business background in the operation of nursing homes and dealing with nursing home regulatory issues and bank board experience will provide invaluable expertise in oversight and setting policy for the company and makes him an excellent candidate for Director of the Company.

Edward P. Loomis, Jr. Mr. Loomis, age 60, has served as President and Chief Executive Officer of the Company since May 2012. Mr. Loomis is an experienced executive officer and has over thirty years of experience in the banking industry. From 2005 to 2006, Mr. Loomis served as the Interim President and Chief Executive Officer of Rivoli Bank & Trust located in Macon, Georgia. He served from 2008 to 2009 as the Chief Operating Officer of Atlantic Southern Bank located in Macon, Georgia. From 2009 to 2011, Mr. Loomis served as Atlantic Southern Bank's President and Chief Executive Officer. Mr. Loomis has served as a Director of Colony Bank since May 2012. Mr. Loomis has been a Director of Colony Bankcorp since May 2012.

The Board of Directors believes that Mr. Loomis' background in executive leadership roles and his experience in the banking industry makes him an excellent candidate for Director of the Company.

Mark H. Masee. Mr. Masee, age 60, is President of Masee Builders, Inc. This commercial building construction firm has operated since 1978, of which, Mr. Masee has been affiliated the past thirty-six years. Mr. Masee presently serves as Mayor of the City of Fitzgerald. He has served as Director of Colony Bank since 1996. Mr. Masee has been a Director of Colony Bankcorp since February 2007 and has served as Vice Chairman of the Board since June 2013.

The Board of Directors believes that Mr. Masee's experience in commercial real estate and management makes him an excellent candidate for Director of the Company.

Jonathan W.R. Ross. Mr. Ross, age 50, is President of Ross Construction Company, a heavy highway commercial construction company that Mr. Ross has operated the past thirteen years. Mr. Ross has served as a Director of Colony Bank since the Company merger in August 2008. He previously served as a Director of the Colony Bank Worth charter until the merger in 2008 and presently serves as an advisory board member of Colony Bank Sylvester office since 2008. Mr. Ross has been a Director of Colony Bankcorp since May 2007.

The Board of Directors believes that Mr. Ross' business and management experience makes him an excellent candidate for Director of the Company.

B. Gene Waldron. Mr. Waldron, age 54, is the Owner of Deep South Farm Center, LLC, President of Tri-County Gin, Inc., President of Deep South Peanut, Inc. and President of Waldron Enterprises, Inc. He has been involved in agri-business the past thirty-four years. Mr. Waldron has served as a Director of Colony Bank since the company merger in August 2008. He previously served as a Director and Chairman of the Board of the Colony Bank Southeast charter until the merger in 2008 and presently serves as an advisory board chairman of Colony Bank Douglas office since 2008. Mr. Waldron has been a Director of Colony Bankcorp since April 2002 and has served as Chairman of the Board since January 2012.

The Board of Directors believes that Mr. Waldron's agri-business experience makes him an excellent candidate for Director of the Company.

Each director serves until the Annual Meeting following his election or until such later time as his successor is elected and qualifies or there is a decrease in the number of directors.

Executive Officers

Edward P. Loomis, Jr., Terry L. Hester, Henry F. Brown, Jr., M. Eddie Hoyle, Jr. and Lee A. Northcutt were the named executive officers of Colony Bankcorp, Inc. during 2013. Messrs. Loomis and Hester were previously reported on as nominee for election as directors.

Mr. Brown presently serves as Executive Vice President and Chief Credit Officer of the Company since December 2011. He has served as Senior Credit Administrator and Regional Credit Officer since the Company merger in August 2008. He served as Vice President from 2002 – 2008 overseeing loan review administration and has been employed with the Company since 1996.

Mr. Hoyle has served as Executive Vice President and West Regional Banking Executive Officer since June 2011. He has been employed with the Company since February 2011. Prior to joining the Company, Mr. Hoyle was employed by Habersham Bank for approximately 10 years and most recently served as Senior Vice President/Commercial Lending. He has been in the banking industry since March 1979.

Mr. Northcutt has served as Executive Vice President and East Regional Banking Officer since December 2009. He previously served as an executive officer with Farmers and Merchants Bank, Lakeland, Georgia from 2003 to December 2009 and as City President of Main Street Bank, Covington, Georgia from 2000 to 2003. He has approximately thirty-five years banking background.

Messrs. Brown, Hoyle and Northcutt were employees during 2013. Pursuant to Securities and Exchange Commission executive compensation disclosure requirements, Messrs. Loomis, Hester, Brown, Hoyle and Northcutt are included in the Company's 2013 Summary Compensation Table.

Executive officers do not hold office for a fixed term but may be removed by the Board of Directors with or without cause. Other than the employment agreement with the Company's CEO, Mr. Loomis, the Company does not have any employment or change-in-control agreements with any of the other named executive officers.

Governance of the Company

Our Board of Directors believes that the purpose of corporate governance is to ensure that shareholder value is maximized in a manner consistent with legal requirements and the highest standards of integrity. Colony Bankcorp, through its Board of Directors and management, has long sought to meet the highest standards of corporate governance. The Board has adopted and adheres to corporate governance guidelines which the Board and senior management believe promotes this purpose, are sound and represent best practices. We continually review these governance practices, Georgia law (the state in which we are incorporated), the rules and listing standards of the NASDAQ Stock Market, and the Securities and Exchange Commission ("SEC") regulations, as well as best practices suggested by recognized governance authorities.

Currently, our Board of Directors has nine members, seven of whom meet the NASDAQ standard for independence. Only independent directors serve on our Audit Committee, Governance Committee, Compensation Committee and Nomination Committee.

In June 2013 the Board of Directors re-appointed B. Gene Waldron as Chairman, a position Mr. Waldron has held since January 2012. In this capacity Mr. Waldron has frequent contact with Mr. Loomis and other members of management on a broad range of matters and has additional corporate governance responsibilities for the Board. The Board of Directors has determined that Mr. Waldron met the rules of NASDAQ standard for independence.

In assessing potential directors for our Board, we look for candidates who possess a wide range of experience, skills, areas of expertise, knowledge and business judgment. A director candidate should also have demonstrated superior performance or accomplishments in his or her professional undertakings.

Our Board of Directors conducts regular meetings, generally on a monthly basis, and also conducts some of its business through the six committees described below. Our Board of Directors met twelve times during the year and each director attended at least 75% of the meetings of the full Board and of the committee or committees on which he serves.

Leadership Structure of the Board

In accordance with the Company's Bylaws, the Board of Directors elects our Chief Executive Officer and our Chairman, and each of these positions may be held by the same person or may be held by two persons. Currently, B. Gene Waldron serves as both Chairman of the Company and the Bank and Edward P. Loomis, Jr. serves as both President and Chief Executive Officer of the Company and the Bank. The Board of Directors believes that separating the Chairman and Chief Executive Officer roles fosters clear accountability, effective decision-making, and alignment on corporate strategy and provides an effective leadership model for the Company. In light of the active involvement by all independent directors, the Board of Directors has not specified a lead independent director at this time. The Board of Directors believes that the current structure of the Board of Directors is appropriate to effectively manage the affairs of the Company and the best interests of the Company's stockholders.

Board's Role in Risk Oversight

The Board of Directors is actively involved in oversight of risks that could affect the Company and the Bank. This oversight is conducted primarily through committees of the Board, as disclosed in the descriptions of each of the committees below, but the full Board has retained responsibility through full reports by each committee chair regarding the committee's considerations and actions, as well as through regular reports directly from officers responsible for oversight of particular risks within the Company and the Bank.

Committees of the Board of Directors

The Executive Committee is appointed by the Chairman of the Board of Directors of the Company, subject to election by the full Board. The purpose of the Executive Committee is to conduct necessary business and make decisions on behalf of the full Board between regular Board meetings. Mr. Harrell, Mr. Loomis, Mr. Waldron, Mr. Downing, Mr. Ross, and Mr. Massee were members of this committee during the year. The committee met several times during the year.

The Compensation Committee is appointed by the Chairman of the Board of Directors of the Company, subject to election by the full Board. The purpose of the Compensation Committee is to ensure that the Chief Executive Officer, other executive officers and key management of the Company are compensated effectively in a manner consistent with the compensation strategy of the Company, internal equity considerations, competitive practice, and any requirements of appropriate regulatory bodies, to establish guidelines and oversee the administration of executive compensation plans and arrangements as well as certain employee benefit plans and to recommend any changes to the Director's compensation package. The Compensation Committee does not use the services of a compensation consultant. The Chief Executive Officer makes recommendations to the Compensation Committee on executive compensation except for his own compensation. The Compensation Committee does not delegate its authority to other persons or groups. Mr. Harrell, Mr. Waldron and Mr. Ross were members of this committee during the year. As of December 31, 2013, the members of the Compensation Committee met the independence requirements of the Company's Corporate Governance Guidelines and the rules of NASDAQ. The committee met three times during the year. The Compensation Committee operates under the Corporate Governance Charter attached as Exhibit B. The Charter was not amended in 2013. The Corporate Governance Charter is not available on the Company's website.

The Governance Committee is appointed by the Chairman of the Board of Directors of the Company, subject to election by the full Board. The purpose of the Governance Committee is to take a leadership role in shaping the corporate governance of the Company, to develop and recommend to the Board a set of corporate governance guidelines and to address committee structure and operations. Mr. Harrell, Mr. Dwozan, Mr. Ross and Mr. Waldron were members of this committee during the year. As of December 31, 2013 the members of the Governance Committee met the independence requirements of the Company's Corporate Governance Guidelines and the rules of NASDAQ. The committee met one time during the year. The Corporate Governance Charter is attached as Exhibit B. The Charter was not amended in 2013.

The Asset-Liability Management Committee is appointed by the Chairman of the Board of Directors of the Company, subject to election by the full Board. The purpose of the Asset-Liability Management Committee is to monitor all aspects of the Company's Asset/Liability Management functions as set forth in Colony Bankcorp, Inc. Asset/Liability Management Policy. Mr. Hester, Mr. Dwozan, Mr. King and Mr. Waldron were members of this committee during the year. The committee met four times during the year.

The Nomination Committee is appointed by the Chairman of the Board of Directors of the Company, subject to election by the full Board. The purpose of the Nomination Committee is to make recommendations to the Board on qualifications and selection criteria for Board members and review the qualifications of potential candidates for the Board and to make recommendations to the Board on nominees to be elected at the Annual Meeting of Stockholders. Mr. Ross, Mr. Harrell, Mr. Waldron and Mr. Masee were members of this committee during the year. Each of the members of the Committee was deemed independent as defined in the listing standards of NASDAQ. The Committee operates under the Corporate Governance Charter attached as Exhibit B. The Charter was not amended in 2013. The Charter is not currently available on the Company's website. The Committee does not currently have a policy or process for identifying and evaluating nominees. However, in addition to meeting the qualification requirements set forth by the Georgia Department of Banking & Finance, a possible director-candidate must also meet the following criteria to be considered by the Nominating Committee: independence; highest personal and professional ethics and integrity; willing to devote sufficient time to fulfilling duties as a Director; impact on the diversity of the Board's overall experience in business, government, education, technology and other areas relevant to the Company's business; impact on the diversity of the Board's composition in terms of age, skills, ethnicity and other factors relevant to the Company's business; and number of other public company boards on which the candidate may serve (generally, should not be more than three public company boards in addition to the Company). The Committee does not currently have a policy with regard to the consideration of any director candidates recommended by shareholders. The Board of Directors has determined such a policy has been unnecessary in the past and will charge the Nomination Committee to evaluate the appropriateness of developing such a policy in the coming year. The committee met one time during the year.

The Audit Committee is appointed by the Chairman of the Board of Directors of the Company, subject to election by the full Board. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities for the Company's accounting and financial reporting processes and audits of the financial statements of the Company by monitoring the integrity of the Company's financial statements, the independence and qualifications of its external auditor, the Company's system of internal controls, the performance of the Company's internal audit process and external auditor and the Company's compliance with laws, regulations and the Directors and Senior Financial Officers Code of Ethical Conduct and the Code of Conduct. Mr. Waldron, Mr. Masee, Mr. Downing, Mr. King and Mr. Ross were members of this committee during the year. As of December 31, 2013, the members of the Audit Committee met the independence requirements of the Company's Corporate Governance Guidelines and the Rules of NASDAQ. The committee met twelve times during the year.

Audit Committee Charter

The Board of Directors has adopted a written charter for the Audit Committee, a copy of which is attached to this Proxy Statement as Exhibit A. The Charter is not available on the Company's website. The Board of Directors reviews and approves changes to the Audit Committee charter annually. The Charter was not amended in 2013.

Independence of Audit Committee Members

The Company's Audit Committee is comprised of Mark H. Masee, B. Gene Waldron, Jonathan W.R. Ross, Scott L. Downing and Davis King, Sr. Each of these members meets the requirements for independence as defined by the applicable listing standards of NASDAQ and SEC regulations applicable to listed companies. In addition, the Board of Directors has determined that at least one member of the Audit Committee meets the rules of NASDAQ standard of having accounting or related financial management expertise. Mr. Masee was elected the financially sophisticated individual on the Audit Committee in lieu of naming a "financial expert".

The Audit Committee does not include a financial expert as defined by the Sarbanes Oxley Act of 2002 and the Company has not named a financial expert because the Board of Directors has determined the financial acumen of each member of the Audit Committee to be very strong and capable of satisfactorily discharging their duties and responsibilities to the Board of Directors and the shareholders.

Audit Committee Report

The Audit Committee reports as follows with respect to the audit of the Company's 2013 audited consolidated financial statements.

The Committee has reviewed and discussed the Company's 2013 audited consolidated financial statements with the Company's management;

The Committee has discussed with the independent auditors, McNair, McLemore, Middlebrooks, & Co., LLC, the matters required to be discussed by SAS 61, which include, among other items, matters related to the conduct of the audit of the Company's consolidated financial statements;

The Committee has received written disclosures and the letter from the independent auditors required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor's communications with the Committee concerning independence and discussed with the auditors the auditors' independence from the Company and its management; and

Based on review and discussions of the Company's 2013 audited consolidated financial statements with management and discussions with the independent auditors, the Audit Committee recommended to the Board of Directors that the Company's 2013 audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for filing with the Securities and Exchange Commission.

March 15, 2014 AUDIT COMMITTEE:

B. Gene Waldron

Jonathan W.R.
Ross

Scott L. Downing

Davis King,
Sr.

Mark H. Masee

Stock Ownership

Security Ownership of Certain Beneficial Owners

As of March 15, 2014, the Company's records and other information from outside sources indicated the following were beneficial owners of more than five percent of the outstanding shares of the Company's common stock:

<u>Name and Address</u>	Shares Beneficially Owned	Percent of Class
Robert Sidney Ross (1) P.O. Box 644 Ocilla, Georgia 31774	1,145,001	13.57 %
B. Gene Waldron P.O. Box 1265 Douglas, Georgia 31534	615,284	7.29 %

(1) Includes 905,420 shares held by Robert Sidney Ross; 99,771 shares held by Ross of Georgia, Inc.; and 139,302 shares held by family trusts and 508 shares held by spouse. Mr. Ross disclaims beneficial ownership of those shares

held by family trusts and held by spouse.

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Directors and Executive Officers

The following table sets forth information as of March 15, 2014 regarding the ownership of Colony Bankcorp stock by each Colony Bankcorp director (including nominees for director) and by the named executive officers of Colony Bankcorp and its subsidiaries, and by all directors and executive officers as a group.

<u>Name</u>	Shares Beneficially Owned (1)	Percent of Class
Scott L. Downing Director	9,308	0.11 %
M. Frederick Dwozan, Jr. Director	27,904	0.33 %
Edward J. Harrell Director	33,349	0.40 %
Terry L. Hester Director; Executive Officer	127,106	1.51 %
Davis W. King, Sr. Director	22,815	0.27 %
Edward P. Loomis, Jr. Director; Executive Officer	40,000	0.47 %
Mark H. Masee Director	49,514	0.59 %
Jonathan W.R. Ross Director	188,145	2.23 %
B. Gene Waldron Director	615,284	7.29 %
Henry F. Brown, Jr. Executive Officer	8,597	0.10 %
M. Eddie Hoyle, Jr. Executive Officer	2,426	0.03 %
Lee A. Northcut Executive Officer	9,000	0.11 %
All directors and executive officers as a group (12 persons)	1,133,448	13.43 %

(1) Includes shares owned by spouses and minor children of officers and directors, as well as shares owned by trusts or businesses in which officers and directors have a significant interest. The information contained herein shall not be construed as an admission that any such person is, for purposes of Section 13(d) or Section 13(g) of the Securities Exchange Act of 1934, the beneficial owner of any securities not held of record by that person or entity.

SUMMARY COMPENSATION TABLE

The table below summarizes the total compensation paid or earned by cash of the named executive officers for the fiscal years ended December 31, 2013, 2012 and 2011. Other than the employment agreement with the Company's CEO, Mr. Loomis, the Company does not have any employment or change-in-control agreements with any of the other named executive officers.

2013 SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(1)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)(2)	Total (\$)
Edward P. Loomis, Jr. President and Chief Executive Officer of the Company	2013	\$247,308	\$ --	\$ --	\$ --	\$ 12,582	\$259,890
	2012	\$146,057	--	--	--	8,011	154,068
Terry L. Hester Executive Vice President and Chief Financial Officer of the Company	2013	\$184,335	\$ --	\$ --	\$ --	\$ 14,545	\$198,880
	2012	177,750	--	--	--	17,306	195,056
	2011	177,750	--	--	--	17,331	195,081
Henry F. Brown, Jr. Executive Vice President, Chief Credit Officer and Regional Credit Officer	2013	\$126,231	\$ --	\$ --	\$ --	\$ 564	\$126,795
	2012	114,615	--	--	--	168	114,783
	2011	110,000	--	--	--	168	110,168
M. Eddie Hoyle, Jr. Executive Vice President and West Regional Executive Banking Officer	2013	\$151,385	\$ --	\$ --	\$ --	\$ 2,888	\$154,273
	2012	146,538	--	--	--	2,880	149,418
	2011	124,788	--	--	--	1,715	126,503
Lee A. Northcutt Executive Vice President and East Regional Executive Banking Officer	2013	\$149,385	\$ --	\$ --	\$ --	\$ 3,315	\$152,700
	2012	144,192	--	--	--	3,152	147,344
	2011	142,500	--	--	--	3,889	146,389

(1) Amounts shown reflect the dollar amount recognized for financial statement reporting purposes for the fiscal year ended December 31, 2013, in accordance with stock grant awards pursuant to Colony Bankcorp, Inc. 2004 Restricted Stock Grant Plan.

(2) Amount shown reflects for each named officer: 401(k) contributions allocated by the Company to each of the named executive officers pursuant to Colony Bankcorp, Inc. 401(k) Plan (see below for more fully described plan); and The value attributable to life insurance benefits, personal use of Company-provided automobiles, country club membership, director fees, and dividend income (see below for a more full description of benefits under the heading "Perquisites and Other Benefits").

Long-Term Equity Stock Award

In 2004, the Board of Directors adopted and the shareholders approved the Colony Bankcorp, Inc. 2004 Restricted Stock Grant Plan. The plan enables our Board of Directors, or a committee thereof, to grant up to 143,500 shares of Colony Bankcorp, Inc. common stock to key officers and employees of Colony Bankcorp, Inc. and our subsidiary. The purpose of this plan is to attract, retain and develop strong management as the Company continues to expand, and to induce key individuals who render services that contribute materially to our success to remain with us for the long-term. Shares granted vest over a three year period. During the three year vesting period and under conditions set forth in Colony Bankcorp Inc.'s 2004 Restricted Stock Grant Plan, the shares are subject to forfeiture. In the event of a change in control of the Company, as defined in the Plan, all unvested stock grants immediately become fully vested.

The Restricted Stock Grant Plan assists the Company to:

- enhance the link between the creation of stockholder value and long-term executive incentive compensation;
- provide an opportunity for increased equity ownership by executives; and
- maintain competitive levels of total compensation.

The Compensation Committee (the "Committee") recommended for the Board of Director's approval that no stock grant awards be awarded for fiscal year 2013. The primary focus of the Committee is to retain key individuals and to increase equity ownership by executives with the stock grant awards. The compensation committee is motivated to keep our executive compensation packages competitive with peer companies. The compensation committee reviews, at least annually, the peer company disclosures regarding executive compensation in order to ensure that our overall compensation package compares favorably. One of the areas monitored is stock option plans or in our case a stock grant award plan. The CEO works daily with executive officers and top level officers and offers his input each year as to recommendations for stock awards based on the executive officers and top level officers' production and performance to the overall company strategy. The recommendation is for named executives other than himself and the CFO. Stock awards for the CEO and CFO are determined and set by the compensation committee, while awards for the other named executive officers and top level officers are considered upon the recommendation of the CEO. The CEO makes no recommendations in regard to his compensation. It was deemed prudent by the compensation committee to not grant any 2013 stock grant awards.

Colony Bankcorp, Inc. 401(k) Plan

The Company has adopted a 401(k) Plan which provides for the Board of Directors to make a discretionary contribution to the 401(k) Plan out of profits in an amount not to exceed 10 percent of the total annual eligible compensation of the employees eligible to participate in the plan. Employees are eligible for a Company contribution after completion of one year of service. The contribution by the Company is allocated among the participants based on participant's total eligible compensation. The employee's interest vests over a period of six years.

The Committee recommended that no contribution be made for fiscal year 2013. The Committee's recommendation to not make a company contribution was based upon company earnings performance for 2013.

Perquisites and Other Personal Benefits

The Company provides named executive officers with perquisites and other personal benefits that the Company and the Committee believe are reasonable and consistent with its overall compensation program to better enable the Company to attract and retain superior employees for key positions. The Committee periodically reviews the levels of perquisites and other personal benefits provided to named executive officers.

The named executive officers are provided use of company automobiles, membership in country clubs, term life insurance coverage and director fees as part of their perquisites and other benefits. Detailed below is an analysis of 2013 perquisites and other benefits for fiscal year ended December 31, 2013.

Name	Company Vehicle	Term Life Insurance	Country Club Membership	Director Fees
Edward P. Loomis, Jr.	\$ 198	(1) \$ 1,584	(2) \$ --	\$ 10,800
Terry L. Hester	1,213	(1) 1,032	(2) --	12,300
Henry F. Brown, Jr.	--	564	(2) --	--
M. Eddie Hoyle, Jr.	1,856	(1) 1,032	(2) --	--
Lee A. Northcutt	2,268	(1) 1,047	(2) --	--

(1) This represents dollar value as calculated in accordance with IRS guidelines on personal use of company automobile provided to named executive officers.

(2) This represents dollar value as calculated in accordance with IRS guidelines on term life insurance provided to named executive officers.

Perquisites and other personal benefits for fiscal year ended December 31, 2013 are included in the All Other Compensation column of the 2013 Summary Compensation Table above.

The Committee takes into consideration the overall compensation package in making their decisions regarding the various elements of the package. The Committee views the most significant elements of the compensation package to be base salary, performance-based cash incentive payout, stock grant awards and the profit sharing contribution. Perquisites and other personal benefits are common place for executives in the banking industry and compare favorably to other peer companies. The Committee determined that the Company's executive compensation is competitive with the peer companies.

2013 OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END TABLE

Stock Awards

Name	Market Value		Equity Incentive Plan Awards:	Equity Incentive Plan Awards:
	Number of Shares or Units of Stock That Have Not Vested	Value of Shares or Units of Stock That Have Not Vested	Number of Unearned Shares, Units or Other Rights That Have Not Vested	Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested
Edward P. Loomis, Jr.	--	\$ --	--	\$ --
James D. Minix	--	--	--	--
Terry L. Hester	--	--	--	--
Henry F. Brown, Jr.	--	--	--	--
M. Eddie Hoyle, Jr.	--	--	--	--
Lee A. Northcutt	--	--	--	--