COMMUNITY FIRST BANCORP
Form 10QSB
August 15, 2005

U. S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For Quarterly Period Ended June 30, 2005 Commission File No. 000-29640

COMMUNITY FIRST BANCORPORATION

(Exact name of small business issuer as specified in its charter)

South Carolina	58-2322486
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

3685 Blue Ridge Boulevard
WALHALLA, SOUTH CAROLINA 29691

(Address of principal executive offices)

(864) 638-2105

(Issuer's telephone number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: Common Stock, no par or stated value, 2,648,605 Shares Outstanding on July 31, 2005.

Transitional Small Business Disclosure Format (Check one): Yes [ ] No [X]

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FORM 10-QSB

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Item 1. Financial Statements

PART I - FINANCIAL INFORMATION

Item 1. - Financial Statements

COMMUNITY FIRST BANCORPORATION
Consolidated Balance Sheet

Assets

Cash and due from banks ....
Interest bearing deposits due from banks ....
Federal funds sold ....

Cash and cash equivalents ....
Securities available-for-sale ....
Securities held-to-maturity (fair value $8,692 for 2005 and $9,560 for 2004) ....
Other investments ....
Loans ....
Allowance for loan losses ....

Loans - net ....
Premises and equipment - net ....
Accrued interest receivable ....
Other assets ....

Total assets ....

Liabilities	
Deposits	
Noninterest bearing	
Interest bearing	
Total deposits	
Accrued interest payable	
Short-term borrowings	
Long-term debt	
Other liabilities	
Total liabilities	
Shareholders' equity	
Common stock - no par value; 10,000,000 shares authorized; issued and outstanding - 2,648,605 for 2005 and 2,648,230 for 2004	
Retained earnings	
Accumulated other comprehensive income (loss)	
Total shareholders' equity	
Total liabilities and shareholders' equity	

See accompanying notes to unaudited consolidated financial statements.

COMMUNITY FIRST BANCORPORATION
Consolidated Statement of Income

	(Perio	
	Three Months	
	2005	2004
	(Dollars in	
Interest income		
Loans, including fees	$2,829	$2,55
Securities		
Taxable	876	78
Tax-exempt	32	1
Other investments	11	
Federal funds sold	159	4
Total interest income	3,907	3,41

Interest expense		
Time deposits $100M and over	453	36
Other deposits	984	85
Short-term borrowings	14	
Long-term debt	61	
Total interest expense	1,512	1,23
Net interest income	2,395	2,18
Provision for loan losses	75	5
Net interest income after provision	2,320	2,12
Other income		
Service charges on deposit accounts	407	39
Credit life insurance commissions	7	1
Net gains on sales of available-for-sale securities	-	
Other income	137	13
Total other income	551	54
Other expenses		
Salaries and employee benefits	630	70
Net occupancy expense	61	6
Furniture and equipment expense	89	9
Other expense	572	49
Total other expenses	1,352	1,35
Income before income taxes	1,519	1,31
Income tax expense	542	48
Net income	$ 977	$ 83
Per share*		
Net income	$ 0.37	$ 0.3
Net income, assuming dilution	0.34	0.2

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* Per share information has been retroactively adjusted to reflect a 10% stock dividend effective November 30, 2004.

See accompanying notes to unaudited consolidated financial statements.

COMMUNITY FIRST BANCORPORATION
Consolidated Statement of Changes in Shareholders' Equity

(Unaudited)

	Common Stock		
	Number of Shares	Amount	Reta Earn
		(Dollars i	
Balance, January 1, 2004	2,362,057	$ 19,620	$
Comprehensive income:			
Net income	-	-	
Unrealized holding gains and losses on available-for-sale securities arising during the period, net of income taxes of $750	-	-	
Reclassification adjustment for losses (gains) realized in income, net of income taxes of $2	-	-	
Total other comprehensive income (loss)	-	-	
Total comprehensive income	-	-	
Exercise of employee stock options	45,226	264	
Balance, June 30, 2004	2,407,283	$ 19,884	$
Balance, January 1, 2005	2,648,230	$ 24,216	$
Comprehensive income:			
Net income	-	-	
Unrealized holding gains and losses on available-for-sale securities arising during the period, net of income taxes of $229	-	-	
Total other comprehensive income (loss)	-	-	
Total comprehensive income	-	-	
Exercise of employee stock options	375	2	
Balance, June 30, 2005	2,648,605	$ 24,218	$

See accompanying notes to unaudited consolidated financial statements.

COMMUNITY FIRST BANCORPORATION
Consolidated Statement of Cash Flows

Operating activities	
Net income	
Adjustments to reconcile net income to net cash provided by operating activities	
Provision for loan losses	
Depreciation	
Amortization of net loan (fees) and costs	
Securities accretion and premium amortization	
Gain on sale of available-for-sale security	
(Increase) decrease in interest receivable	
Increase in interest payable	
Decrease in prepaid expenses and other assets	
Increase in other accrued expenses	
Writedowns of other real estate owned	
Net cash provided by operating activities	
Investing activities	
Purchases of available-for-sale securities	
Purchases of held-to-maturity securities	
Maturities, calls and paydowns of securities available-for-sale	
Maturities, calls and paydowns of securities held- to-maturity	
Proceeds of sale of available-for-sale security	
Purchases of other investments	
Net increase in loans made to customers	
Purchases of premises and equipment	
Proceeds of sale of real estate held for sale	
Net cash used by investing activities	
Financing activities	
Net (decrease) increase in demand deposits, interest bearing transaction accounts and savings accounts	
Net (decrease) increase in certificates of deposit and other time deposits	
Net (decrease) increase in short-term borrowings	
Proceeds of issuing long-term debt	
Exercise of employee stock options	
Net cash (used) provided by financing activities	
Decrease in cash and cash equivalents	
Cash and cash equivalents, beginning	

Cash and cash equivalents, ending ....

Supplemental Disclosure of Cash Flow Information Cash paid during the year for:

Interest ....

Income taxes ....

Noncash investing and financing activities:

Other comprehensive income (loss) ....

See accompanying notes to unaudited consolidated financial statements.

COMMUNITY FIRST BANCORPORATION

Notes to Unaudited Consolidated Financial Statements

Accounting Policies - A summary of significant accounting policies is included in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2004 filed with the Securities and Exchange Commission.

Management Opinion - In the opinion of management, the accompanying unaudited consolidated financial statements of Community First Bancorporation reflect all adjustments necessary for a fair presentation of the results of the periods presented. Such adjustments were of a normal, recurring nature.

Nonperforming Loans - As of June 30, 2005, there were $1,158,000 in nonaccrual loans and no loans 90 days or more past due and still accruing.

Earnings Per Share - Basic earnings per common share is computed by dividing net income applicable to common shares by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing applicable net income by the weighted average number of common shares outstanding and any dilutive potential common shares and dilutive stock options. It is assumed that all dilutive stock options are exercised at the beginning of each period and that the proceeds are used to purchase shares of the Company's common stock at the average market price during the period. All per share information has been retroactively adjusted to give effect to a 10% stock dividend effective November 30, 2004. Net income per share and net income per share, assuming dilution, were computed as follows:

	(Unaud Period Ende	
	Three Months	
	2005	2004
	(Dollars in thousands,	
Net income per share, basic		
Numerator - net income	$ 977	$ 830
Denominator		
Weighted average common shares issued and outstanding	2,648,404	2,638,314

Net income per share, basic	$ .37	$ .31
Net income per share, assuming dilution		
Numerator - net income	$ 977	$ 830
Denominator		
Weighted average common shares issued and outstanding	2,648,404	2,638,314
Effect of dilutive stock options	184,174	176,331
Total shares	2,832,578	2,814,645
Net income per share, assuming dilution	$ .34	$ .29

Stock-Based Compensation - As of June 30, 2005, the Company has two stock-based compensation plans that are accounted for under the recognition and measurement principles of Accounting Standards Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. No stock-based compensation is reflected in net income, as all options granted under those plans had exercise prices equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net income and net income per share if the Company had applied the fair value recognition provisions of SFAS 123, "Accounting for Stock Based Compensation," as amended, to stock-based employee compensation. Per share amounts have been adjusted to reflect the effect of a 10% stock dividend effective November 30, 2004.

	Perio	
	Three Months	
	2005	2004
	(Dollars in thous	
Net income, as reported	$ 977	$ 830
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of any related tax effects	56	50
Pro forma net income	$ 921	$ 780
Net income per share, basic		
As reported	$ 0.37	$ 0.31
Pro forma	0.35	0.30
Net income per share, assuming dilution		
As reported	$ 0.34	$ 0.29

Pro forma	0.33	0.28

Item 2. - Management's Discussion and Analysis

Forward Looking Statements

Statements included in this report which are not historical in nature are intended to be, and are hereby identified as "forward looking statements" for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements which are other than statements of historical facts. Such forward-looking statements may be identified, without limitation, by the use of the words "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," and similar expressions. The Company's expectations, beliefs and projections are expressed in good faith and are believed by the Company to have a reasonable basis, including without limitation, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties, but there can be no assurance that management's beliefs, expectations or projections will result or be achieved or accomplished. The Company cautions readers that forward-looking statements, including without limitation, those relating to the Company's recent and continuing expansion, its future business prospects, revenues, working capital, liquidity, capital needs, interest costs, income, and adequacy of the allowance for loan losses, are subject to risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements, due to several important factors herein identified, among others, and other risks and factors identified from time to time in the Company's reports filed with the Securities and Exchange Commission.

Changes in Financial Condition

For the six months ended June 30, 2005, total assets of Community First Bancorporation (the "Company") decreased slightly from the amounts reported as of December 31, 2004. This decrease resulted from a reduction in deposit liabilities of $3,597,000 and repayment of short-term borrowings totaling $2,500,000. During the 2005 six month period, loans increased by $7,821,000 and investment securities increased by $2,222,000. As a result of these changes, the Company's cash and cash equivalents at June 30, 2005 were $14,786,000 less than the amount as of December 31, 2004.

Results of Operations

The Company recorded consolidated net income of $977,000, or $.37 per share, for the second quarter, and $1,886,000, or $.71 per share, for the first six months of 2005. During 2004, the Company recorded net income of $830,000 or $.31 per share for the second quarter, and $1,662,000, or $.63 per share, for the first six months. Net income per share, assuming dilution, for the three and six month periods ended June 30, 2005 was $.34 and $.67, respectively. For the comparable 2004 periods, net income per share, assuming dilution, was $.29 and $.60, respectively. Net income per share amounts for 2004 have been retroactively adjusted to reflect a 10% stock dividend effective November 30, 2004.

Net Interest Income

Net interest income is the amount of interest income earned on interest earning assets (loans, securities, interest bearing deposits in other banks, federal funds sold and other investments), less the interest expense incurred on interest bearing liabilities (interest bearing deposits, short-term borrowings and long-term debt), and is the principal source of the Company's earnings. Net interest income is affected by the level of interest rates, volume and mix of interest earning assets and interest bearing liabilities and the relative funding of these assets.

For the second quarter of 2005, net interest income was $2,395,000, an increase of $213,000 or 9.8% over the comparable 2004 period. For the first six months of 2005, net interest income was $4,787,000, an increase of $538,000 or 12.7% over the first six months of 2004. The increases in net interest income for the 2005 six month period resulted primarily from larger average volumes of interest earning assets, especially in the higher-yielding investment securities and loan categories. Also, the yield earned on average federal funds sold in the 2005 period was 2.59%, an increase of 169 basis points over the yield earned in the same period of 2004. Interest expense for the 2005 six-month period was $2,971,000, an increase of $492,000, or 19.8%, over the amount for the same period of 2004. The average rate paid for all interest-bearing funding sources was 33 basis points higher in the 2005 six-month period than in the same 2004 period. The average amounts of interest-bearing funding sources increased to $246,938,000 for the 2005 period, an increase of $9,302,000 or 3.9% more than the 2004 period.

Average interest earning assets during the 2005 six-month period were $299,744,000, an increase of $18,091,000 or 6.4% over the comparable period of 2004. Average loans for the 2005 six-month period were $160,931,000, an increase of $10,371,000 or 6.9% over the average amount for the same period of 2004. Average investment securities for the 2005 period were $113,430,000, an increase of $11,542,000 or 11.3% over the average for the 2004 period. The average yields on loans and investments increased by 20 and 28 basis points, respectively, in the 2005 six month period compared with the same period of 2004.

Average interest bearing deposit liabilities were not much changed in the 2005 six month period as compared with the same period of 2004. The average interest rate associated with such deposits increased by 28 basis points to 2.38% for the 2005 six-month period. In addition, the average amounts of, and interest rate associated with, non-deposit borrowings both increased significantly in the 2005 period. The average amounts of such liabilities in the 2005 period exceeded the amounts in the 2004 period by $8,176,000, an increase of 963.2%. The average rate of those borrowings was 3.51% for the 2005 period and 2.34% for the 2004 period.

The average interest rate spread (average yield on interest earning assets less the average rate paid on interest bearing liabilities) for the first six months of 2005 was 2.79%, an increase of 7 basis points from 2.72% for the same period of 2004. Net yield on earning assets (net interest income divided by average interest earning assets) was 3.22% for the first six months of 2005, an increase of 18 basis points from 3.04% for the first six months of 2004.

Late in the second quarter of 2004, the Company borrowed approximately $10,000,000 from the FHLB and invested the proceeds in several mortgage-backed securities issues with a combined yield-to-maturity of 5.10%. The average expected life of these securities was approximately 6.0 years as of the purchase date. The borrowed funds consisted of a combination of both short-term and long-term debt with an average life of approximately 4.6 years at the date incurred and an average cost of 3.27%.

Other increases in interest earning assets and interest bearing liabilities resulted from the Company's continuing strategies to increase its market share in its local service areas in Anderson and Oconee Counties of South

Carolina. Oconee County is served from three offices located in Seneca, Westminster and Walhalla. The Westminster office was opened in temporary quarters during the second quarter of 2003. There are currently no plans to construct another facility for this office.

Provision and Allowance for Loan Losses

The provision for loan losses charged to expense was $75,000 for the second quarter of 2005 compared with $55,000 for the second quarter of 2004, and totaled $215,000 for the first six months of 2005 compared with $135,000 for the comparable period of 2004. At June 30, 2005, the allowance for loan losses was 1.41% of loans, compared with 1.42% of loans at December 31, 2004. During the 2005 six-month period, net charge-offs totaled $118,000, compared with $92,000 charged off during the same period of 2004. As of June 30, 2005, there were $1,158,000 in nonaccrual loans and no loans over 90 days past due and still accruing interest, collectively referred to as impaired loans. The amount of nonaccrual loans at June 30, 2005 was $266,000 more than the amount at June 30, 2004 and $307,000 less than the amount of nonaccrual loans as of December 31, 2004. The majority of the nonaccrual loans are secured by real estate, commercial equipment and vehicles. When the estimated realizable value of

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collateral associated with nonperforming loans is believed to be insufficient to satisfy the debt, management generally charges off the excess amount of the debt.

As of June 30, 2005, the Company's potential problem loans totaled $3,451,000, an increase of $2,048,000 over the amount of such loans as of December 31, 2004. Potential problem loans include loans, other than impaired loans, that management has identified as having possible credit problems sufficient to cast doubt upon the abilities of the borrowers to comply with the current repayment terms. The increase in potential problem loans since December 31, 2004 is believed to reflect circumstances unique to each of the borrowers and not to any systemic problems in the local market area. Real estate mortgages or liens on equipment, inventories, receivables, automobiles and other forms of collateral have been obtained for the majority of loans classified as potential problem loans.

Noninterest Income

Noninterest income totaled $551,000 for the second quarter of 2005, compared with $543,000 for the 2004 quarter. Noninterest income was $1,038,000 for the first six months of 2005 and $1,015,000 for the same 2004 period. A significant proportion of the Company's noninterest income is derived from a program that allows customers to avoid payee-imposed charges on checks and similar items returned for insufficient funds. A per item fee is charged by the Company for this increasingly popular service. The Company realized a $5,000 gain on the sale of an available-for-sale security in the 2004 six-month period. No such gains were recognized in the 2005 period.

Noninterest Expenses

Noninterest expenses totaled $1,352,000 for the second quarter of 2005, compared with $1,359,000 for the 2004 period, representing a decrease of $7,000. Noninterest expenses were $2,675,000 for the first six months of 2005 compared with $2,536,000 for the first half of 2004. Salaries and employee benefits for the 2005 quarter totaled $630,000, a decrease of $71,000 from the 2004 three month period. For the first six months of 2005, salaries and employee benefits totaled $1,341,000 representing a decrease of $40,000 from the same period of

2004. This decrease resulted from lower employee bonuses and profit sharing expenses in the 2005 six month period.

Occupancy and furniture and equipment expenses for the second quarter of 2005 totaled $150,000, representing a decrease of $10,000 from the same period of 2004. Such expenses increased $7,000 during the first half of 2005 as compared to the same period of 2004. Other expenses for the 2005 three-month period totaled $572,000 and were $74,000 more than in 2004. For the 2005 six-month period, other expenses increased by $172,000, or 20.0%, over the 2004 amount. These expenses increased in part due to increased expenses for professional expenses associated with the beginning of work on the Company's internal control review mandated by the Sarbanes-Oxley Act of 2002, higher amortization expenses of core data processing software costs, costs incurred in 2005 for the Company's biennial strategic planning process, and higher costs for corporate license fees and stock transfer services.

Liquidity

Liquidity is the ability to meet current and future obligations through the liquidation or maturity of existing assets or the acquisition of additional liabilities. The Company manages both assets and liabilities to achieve appropriate levels of liquidity. Cash and short-term investments are the Company's primary sources of asset liquidity. These funds provide a cushion against short-term fluctuations in cash flow from both deposits and loans. Securities available-for-sale are the Company's principal source of secondary asset liquidity. However, the availability of this source is influenced by market conditions. Individual and commercial deposits are the Company's primary source of funds for credit activities. The Company also has significant amounts of credit availability under Federal Home Loan Bank lines of credit.

As of June 30, 2005, the ratio of loans to total deposits was 62.6%, compared with 58.8% as of December 31, 2004 and 57.5% as of June 30, 2004.

Deposits as of June 30, 2005 decreased by $3,597,000 or 1.3% from the amount at December 31, 2004 and were $4,309,000 or 1.7% greater than their level of June 30, 2004. Typically, deposit totals as of December 31 are temporarily increased because of year-end property tax receipts deposited in the accounts of Oconee County, South Carolina. Those deposits accounts are subsequently redistributed to other entities, including many that maintain deposit accounts with other financial institutions.

Management believes that the Company's liquidity sources are adequate to meet its operating needs.

Capital Resources

The Company's shareholders' equity increased by $1,478,000 since December 31, 2004 as the result of net income of $1,886,000 for the first six months of 2005, $2,000 added from the exercise of stock options, less $410,000 in other comprehensive income, consisting of unrealized losses arising during the period on available-for-sale securities. Such unrealized losses on available-for-sale securities are not considered to be other than temporary, as the Company has the ability to hold and generally does not sell such investments prior to maturity.

The Company and its banking subsidiary (the "Bank") are subject to regulatory risk-based capital adequacy standards. Under these standards, bank holding companies and banks are required to maintain certain minimum ratios of capital to risk-weighted assets and average total assets. Under the provisions of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA), federal bank regulatory authorities are required to implement prescribed "prompt corrective actions" upon the deterioration of the capital position of a bank. If the capital position of an affected institution were to fall below certain levels, increasingly stringent regulatory corrective actions are mandated.

The June 30, 2005 risk based capital ratios for the Company and the Bank are presented in the following table, compared with the "well capitalized" and minimum ratios under the regulatory definitions and guidelines:

	Tier 1	Total Capital	Leverage
Community First Bancorporation	15.7%	16.9%	9.3%
Community First Bank	15.1%	16.3%	9.0%
Minimum "well-capitalized" requirement	6.0%	10.0%	6.0%
Minimum requirement	4.0%	8.0%	4.0%

Off Balance Sheet Arrangements

In the normal course of business, the Bank is party to financial instruments with off-balance-sheet risk including commitments to extend credit and standby letters of credit. Such instruments have elements of credit risk in excess of the amount recognized in the balance sheet. The exposure to credit loss in the event of nonperformance by the other parties to the financial instruments for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. Generally, the same credit policies used for on-balance-sheet instruments, such as loans, are used in extending loan commitments and standby letters of credit.

Following are the off-balance-sheet financial instruments whose contract amounts represent credit risk:

	June 30, 2005 (Dollars in thousands)
Loan commitments	$ 17,929
Standby letters of credit	889

Loan commitments involve agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and some involve payment of a fee. Many of the commitments are expected to expire without being fully drawn; therefore, the total amount of loan commitments does not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if any, upon extension of credit is based on management's credit evaluation of the borrower. Collateral held varies but may include commercial and residential real properties, accounts receivable, inventory and equipment.

Standby letters of credit are conditional commitments to guarantee the performance of a customer to a third party. The credit risk involved in issuing standby letters of credit is the same as that involved in making loan commitments to customers.

As described under "Liquidity," management believes that its various sources of liquidity provide the resources necessary for the Bank to fund the loan commitments and to perform under standby letters of credit, if the need arises. The Bank has contracted for the construction of a new headquarters building which is to be located in Seneca, South Carolina. Cost of this structure, which will house an additional banking office, the mortgage lending staff, and the Company's executive officers, is expected to approximate $1,700,000 with occupancy anticipated in the second quarter of 2006.

Neither the Company nor the Bank is involved in other off-balance sheet contractual relationships or transactions that could result in liquidity needs or other commitments or significantly impact earnings.

Item 3. - Controls and Procedures

Based on the evaluation required by 17 C.F.R. Section 240.13a-15(b) or 240.15d-15(b) of the issuer's disclosure controls and procedures (as defined in 17 C.F.R. Sections 240.13a-15(e) and 240.15d-15(e)), the issuer's chief executive officer and chief financial officer concluded such controls and procedures, as of the end of the period covered by this report, were effective.

There has been no change in the Company's internal control over financial reporting during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 4. - Submission of Matters to a Vote of Security Holders.

On Tuesday, April 26, 2005, the shareholders of Community First Bancorporation held their regular annual meeting. At the meeting, one matter was submitted to a vote with results as follows:

1. Election of three directors to hold office for three-year terms:

	SHARES VOTED		
DIRECTORS	FOR	AUTHORITY WITHHELD	BROKER NON-VOTES
James E. McCoy	1,621,464	0	468,968
James E. Turner	1,621,464	0	468,968
Charles L. Winchester	1,621,464	0	468,968

The following directors continue to serve until the expiration of their terms at the annual meetings to be held in the years indicated and were not voted on at the 2005 annual meeting: Larry S. Bowman, M.D. - 2006; William M. Brown - 2006; John R. Hamrick - 2006 and Frederick D. Shepherd, Jr. - 2006; Robert H Edwards - 2007, Blake L. Griffith - 2007, Gary V. Thrift - 2007.

Item 6. - Exhibits

(a) Exhibits. 10. Construction Contract, dated April 27, 2005, between the Company and Trehel Corporation (incorporated by reference to

Form 8-K filed August 12, 2005)

31. Rule 13a-14(a)/15d-14(a) Certifications

32. Certifications Pursuant to 18 U.S.C. Section 1350

SIGNATURE

In accordance with the requirements of the Exchange Act, the registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

COMMUNITY FIRST BANCORPORATION

August 15, 2005	/s/ Frederick D. Shepherd, Jr.
Date	Frederick D. Shepherd, Jr., Chief Executive Officer and Chief Financial Officer

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10. Construction Contract, dated April 27, 2005, between the Company and Trehel Corporation (incorporated by reference to Form 8-K filed August 12, 2005)

31. Rule 13a-14(a)/15d-14(a) Certifications

32. Certifications Pursuant to 18 U.S.C. Section 1350