

CENTRAL VALLEY COMMUNITY BANCORP
Form 10-Q
May 06, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
(Mark One)

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

FOR THE QUARTERLY PERIOD ENDED March 31, 2016

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

FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER: 000—31977

CENTRAL VALLEY COMMUNITY BANCORP
(Exact name of registrant as specified in its charter)

California 77-0539125
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

7100 N. Financial Dr., Suite 101, Fresno, California 93720
(Address of principal executive offices) (Zip code)

Registrant's telephone number (559) 298-1775

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Small reporting company

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(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 5, 2016 there were 11,027,979 shares of the registrant's common stock outstanding.

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CENTRAL VALLEY COMMUNITY BANCORP AND SUBSIDIARY

2016 QUARTERLY REPORT ON FORM 10-Q

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PART 1: FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

CENTRAL VALLEY COMMUNITY BANCORP AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands, except share amounts)

	March 31, 2016	December 31, 2015
ASSETS		
Cash and due from banks	\$22,525	\$ 23,339
Interest-earning deposits in other banks	55,824	70,988
Federal funds sold	307	290
Total cash and cash equivalents	78,656	94,617
Available-for-sale investment securities (Amortized cost of \$488,425 at March 31, 2016 and \$470,080 at December 31, 2015)	501,978	477,554
Held-to-maturity investment securities (Fair value of \$35,142 at December 31, 2015)	—	31,712
Loans, less allowance for credit losses of \$10,136 at March 31, 2016 and \$9,610 at December 31, 2015	598,864	588,501
Bank premises and equipment, net	9,002	9,292
Bank owned life insurance	20,847	20,702
Federal Home Loan Bank stock	4,823	4,823
Goodwill	29,917	29,917
Core deposit intangibles	990	1,024
Accrued interest receivable and other assets	26,466	18,594
Total assets	\$1,271,543	\$ 1,276,736
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Non-interest bearing	\$408,080	\$ 428,773
Interest bearing	695,399	687,494
Total deposits	1,103,479	1,116,267
Junior subordinated deferrable interest debentures	5,155	5,155
Accrued interest payable and other liabilities	17,130	15,991
Total liabilities	1,125,764	1,137,413
Commitments and contingencies (Note 8)		
Shareholders' equity:		
Preferred stock, no par value, \$1,000 per share liquidation preference; 10,000,000 shares authorized, none issued and outstanding	—	—
Common stock, no par value; 80,000,000 shares authorized; issued and outstanding: 11,026,229 at March 31, 2016 and 10,996,773 at December 31, 2015	54,624	54,424
Retained earnings	83,180	80,437
Accumulated other comprehensive income, net of tax	7,975	4,462
Total shareholders' equity	145,779	139,323
Total liabilities and shareholders' equity	\$1,271,543	\$ 1,276,736

See notes to unaudited consolidated financial statements.

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CENTRAL VALLEY COMMUNITY BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	For the Quarter Ended March 31,	
(In thousands, except share and per share amounts)	2016	2015
INTEREST INCOME:		
Interest and fees on loans	\$7,733	\$7,286
Interest on deposits in other banks	74	46
Interest and dividends on investment securities:		
Taxable	1,523	1,107
Exempt from Federal income taxes	1,523	1,538
Total interest income	10,853	9,977
INTEREST EXPENSE:		
Interest on deposits	221	233
Interest on junior subordinated deferrable interest debentures	29	24
Total interest expense	250	257
Net interest income before provision for credit losses	10,603	9,720
(REVERSAL OF) PROVISION FOR CREDIT LOSSES	(250)	—
Net interest income after provision for credit losses	10,853	9,720
NON-INTEREST INCOME:		
Service charges	749	871
Appreciation in cash surrender value of bank owned life insurance		