

TIMBERLAND BANCORP INC
Form 10-Q
May 08, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2018

OR

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 000-23333

TIMBERLAND BANCORP, INC.
(Exact name of registrant as specified in its charter)
Washington 91-1863696
(State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.)

624 Simpson Avenue, Hoquiam, Washington 98550
(Address of principal executive offices) (Zip Code)

(360) 533-4747
(Registrant's telephone number, including area code)

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 preceding 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ___ No X

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

CLASS SHARES OUTSTANDING AT MAY 1, 2018

Common

stock, 7,392,827

\$.01 par

value

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Certifications

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

TIMBERLAND BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

March 31, 2018 and September 30, 2017

(Dollars in thousands, except per share amounts)

	March 31, 2018	September 30, 2017
	(Unaudited) *	
Assets		
Cash and cash equivalents:		
Cash and due from financial institutions	\$ 15,508	\$ 17,447
Interest-bearing deposits in banks	153,897	130,741
Total cash and cash equivalents	169,405	148,188
Certificates of deposit (“CDs”) held for investment (at cost, which approximates fair value)	52,938	43,034
Investment securities held to maturity, at amortized cost (estimated fair value \$8,553 and \$7,744)	8,070	7,139
Investment securities available for sale, at fair value	1,193	1,241
Federal Home Loan Bank of Des Moines (“FHLB”) stock	1,107	1,107
Other investments, at cost	3,000	3,000
Loans held for sale	3,981	3,599
Loans receivable, net of allowance for loan losses of \$9,544 and \$9,553	708,568	690,364
Premises and equipment, net	18,053	18,418
Other real estate owned (“OREO”) and other repossessed assets, net	2,221	3,301
Accrued interest receivable	2,655	2,520
Bank owned life insurance (“BOLI”)	19,539	19,266
Goodwill	5,650	5,650
Mortgage servicing rights (“MSRs”), net	1,910	1,825
Other assets	2,911	3,372
Total assets	\$ 1,001,201	\$ 952,024
Liabilities and shareholders’ equity		
Liabilities		
Deposits:		
Non-interest-bearing demand	\$ 222,302	\$ 205,952
Interest-bearing	658,109	631,946
Total deposits	880,411	837,898
Other liabilities and accrued expenses	2,947	3,126
Total liabilities	883,358	841,024

* Derived from audited consolidated financial statements.

See notes to unaudited consolidated financial statements

TIMBERLAND BANCORP, INC. AND SUBSIDIARY
 CONSOLIDATED BALANCE SHEETS (continued)

March 31, 2018 and September 30, 2017

(Dollars in thousands, except per share amounts)

	March 31, 2018 (Unaudited)	September 30, 2017 *
Shareholders' equity		
Preferred stock, \$.01 par value; 1,000,000 shares authorized; none issued	\$—	\$ —
Common stock, \$.01 par value; 50,000,000 shares authorized; 7,390,227 shares issued and outstanding - March 31, 2018 7,361,077 shares issued and outstanding - September 30, 2017	13,891	13,286
Unearned shares issued to Employee Stock Ownership Plan ("ESOP")	(265) (397)
Retained earnings	104,349	98,235
Accumulated other comprehensive loss	(132) (124)
Total shareholders' equity	117,843	111,000
Total liabilities and shareholders' equity	\$1,001,201	\$ 952,024

* Derived from audited consolidated financial statements.

See notes to unaudited consolidated financial statements

TIMBERLAND BANCORP, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME

For the three and six months ended March 31, 2018 and 2017

(Dollars in thousands, except per share amounts)

(Unaudited)

	Three Months Ended March 31, 2018	2017	Six Months Ended March 31, 2018	2017
Interest and dividend income				