

CENTRAL VALLEY COMMUNITY BANCORP

Form 10-Q

May 13, 2010

[Table of Contents](#)

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, 2010

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

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(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of incorporation or organization)

77-0539125

(I.R.S. Employer Identification No.)

7100 N. Financial Dr, Suite 101, Fresno, California

(Address of principal executive offices)

93720

(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

Smaller reporting company

(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 April 12, 2010 there were 9,082,754 shares of the registrant's common stock outstanding.

Table of Contents

CENTRAL VALLEY COMMUNITY BANCORP AND SUBSIDIARY

2010 QUARTERLY REPORT ON FORM 10-Q

TABLE OF CONTENTS

| | |
|---|-----------|
| <u>PART 1: FINANCIAL INFORMATION</u> | 3 |
| <u>ITEM 1: FINANCIAL STATEMENTS</u> | 3 |
| <u>ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u> | 17 |
| <u>ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u> | 35 |
| <u>ITEM 4: CONTROLS AND PROCEDURES</u> | 36 |
| <u>PART II: OTHER INFORMATION</u> | 37 |
| <u>ITEM 1: LEGAL PROCEEDINGS</u> | 37 |
| <u>ITEM 1A: RISK FACTORS</u> | 37 |
| <u>ITEM 2: CHANGES IN SECURITIES AND USE OF PROCEEDS</u> | 37 |
| <u>ITEM 3: DEFAULTS UPON SENIOR SECURITIES</u> | 37 |
| <u>ITEM 4: REMOVED AND RESERVED</u> | 37 |
| <u>ITEM 5: OTHER INFORMATION</u> | 37 |
| <u>ITEM 6: EXHIBITS</u> | 37 |
| <u>SIGNATURES</u> | 38 |

Table of Contents**PART 1: FINANCIAL INFORMATION****ITEM 1: FINANCIAL STATEMENTS****CENTRAL VALLEY COMMUNITY BANCORP AND SUBSIDIARY****CONDENSED CONSOLIDATED BALANCE SHEETS**

| (In thousands, except share amounts) | March 31, 2010 (Unaudited) | December 31, 2009 |
|--|-------------------------------|-------------------|
| ASSETS | | |
| Cash and due from banks | \$ 13,276 | \$ 13,857 |
| Interest-earning deposits in other banks | 42,507 | 34,544 |
| Federal funds sold | 1,141 | 279 |
| Total cash and cash equivalents | 56,924 | 48,680 |
| Available-for-sale investment securities (Amortized cost of \$192,593 at March 31, 2010 and \$199,744 at December 31, 2009) | 192,219 | 197,319 |
| Loans, less allowance for credit losses of \$10,595 at March 31, 2010 and \$10,200 at December 31, 2009 | 441,295 | 449,007 |
| Bank premises and equipment, net | 6,241 | 6,525 |
| Other real estate owned | 2,549 | 2,832 |
| Bank owned life insurance | 11,095 | 10,998 |
| Federal Home Loan Bank stock | 3,140 | 3,140 |
| Goodwill | 23,577 | 23,577 |
| Core deposit intangibles | 1,508 | 1,612 |
| Accrued interest receivable and other assets | 20,953 | 21,798 |
| Total assets | \$ 759,501 | \$ 765,488 |
| LIABILITIES AND SHAREHOLDERS EQUITY | | |
| Deposits: | | |
| Non-interest bearing | \$ 142,752 | \$ 159,630 |
| Interest bearing | 493,541 | 480,537 |
| Total deposits | 636,293 | 640,167 |
| Short-term borrowings | 10,000 | 5,000 |
| Long-term debt | 4,000 | 14,000 |
| Junior subordinated deferrable interest debentures | 5,155 | 5,155 |
| Accrued interest payable and other liabilities | 9,893 | 9,943 |
| Total liabilities | 665,341 | 674,265 |
| Commitments and contingencies (Note 8) | | |
| Shareholders' equity: | | |
| Preferred stock, no par value, \$1,000 per share liquidation preference; 10,000,000 shares authorized; | | |
| Series A, no par value, 7,000 shares issued and outstanding | 6,830 | 6,819 |
| Series B, no par value, 1,359 shares issued and outstanding | 1,317 | 1,317 |
| Common stock, no par value; 80,000,000 authorized; issued and outstanding 9,079,754 at March 31, 2010 and 8,949,754 at December 31, 2009 | 38,113 | 37,611 |
| Retained earnings | 48,124 | 46,931 |
| Accumulated other comprehensive loss, net of tax | (224) | (1,455) |
| Total shareholders' equity | 94,160 | 91,223 |

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| | | | | |
|--|----|---------|----|---------|
| Total liabilities and shareholders' equity | \$ | 759,501 | \$ | 765,488 |
|--|----|---------|----|---------|

See notes to unaudited condensed consolidated financial statements.

Table of Contents

CENTRAL VALLEY COMMUNITY BANCORP AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

| (In thousands, except share and per share amounts) | For the Three Months Ended March 31, | |
|---|---|----------|
| | 2010 | 2009 |
| INTEREST INCOME: | | |
| Interest and fees on loans | \$ 6,778 | \$ 7,540 |
| Interest on Federal funds sold | | 11 |
| Interest and dividends on investment securities: | | |
| Taxable | 1,653 | 2,211 |
| Exempt from Federal income taxes | 757 | 707 |
| Total interest income | 9,188 | 10,469 |
| INTEREST EXPENSE: | | |
| Interest on deposits | 1,053 | 1,782 |
| Interest on junior subordinated deferrable interest debentures | 23 | 41 |
| Other | 126 | 161 |
| Total interest expense | 1,202 | 1,984 |
| Net interest income before provision for credit losses | 7,986 | 8,485 |
| PROVISION FOR CREDIT LOSSES | 600 | 1,917 |
| Net interest income after provision for credit losses | 7,386 | 6,568 |
| NON-INTEREST INCOME: | | |
| Service charges | 861 | 820 |
| Appreciation in cash surrender value of bank owned life insurance | | |