

CENTRAL VALLEY COMMUNITY BANCORP
Form 10QSB
November 12, 2002

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

(Mark One)

**QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934 FOR THE
QUARTERLY PERIOD ENDED September 30, 2002**

**TRANSITION REPORT UNDER 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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(Name of small business issuer in its charter)

California

(State or other jurisdiction of incorporation or organization)

77-0539125

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

600 Pollasky Avenue, Clovis, California

(Address of principal executive offices)

93612

(Zip code)

Issuer's telephone number **(559) 298-1775**

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 (2) has been subject to such filing requirements for the past 90 days.

Yes No

State the number of shares outstanding of each of the issuer's classes of common equity, as of November 8, 2002. 1,285,291, shares

Transitional Small Business Disclosure Format (check one)

Yes No

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ITEM 1. FINANCIAL STATEMENTS

CENTRAL VALLEY COMMUNITY BANCORP

CONSOLIDATED BALANCE SHEET

SEPTEMBER 30, 2002 AND DECEMBER 31, 2001

(In Thousands Except Share Amounts)

	September 30, 2002 (Unaudited)	December 31, 2001 (Audited)
ASSETS		
Cash and due from banks	\$ 19,512	\$ 13,863
Interest bearing deposits with other banks	100	100
Federal funds sold	18,864	4,160
Available for sale investment securities (Book value of \$62,315 at September 30, 2002 and \$58,843 at December 31, 2001)	65,460	60,586
Loans less allowance for credit losses of \$2,431 at September 30, 2002 and \$2,474 at December 31, 2001	154,360	130,797
Equipment leased to others, net	485	1,217
Bank premises and equipment, net	2,872	1,864
Accrued interest receivable and other assets	8,275	6,479
Total assets	\$ 269,928	\$ 219,066
LIABILITIES AND SHAREHOLDERS EQUITY		
Deposits:		
Non-interest bearing	\$ 68,986	\$ 49,016
Interest bearing	163,293	143,116
Total deposits	232,279	192,132
Short-term borrowings	3,000	1,000
Long-term borrowings	8,000	2,000
Accrued interest payable and other liabilities	2,717	3,106
Total liabilities	245,996	198,238
Shareholders equity:		
Preferred stock, no par value: 10,000,000 shares authorized, no shares issued or outstanding		
Common stock, no par value; 20,000,000 shares authorized, 1,297,291 and 1,285,357 shares issued and outstanding at September 30, 2002 and December 31, 2001, respectively	6,129	6,049
Retained earnings	15,665	13,733
Accumulated other comprehensive income, net of tax	2,138	1,046
Total shareholders equity	23,932	20,828
Total liabilities and shareholders equity	\$ 269,928	\$ 219,066

See notes to consolidated financial statements.

CENTRAL VALLEY COMMUNITY BANCORP

CONSOLIDATED STATEMENTS OF INCOME

For the Three and Nine Month Periods Ended September 30, 2002 and 2001

(In thousands except earnings per share amounts) (Unaudited)	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2002	2001	2002	2001
INTEREST INCOME:				
Interest and fees on loans	\$ 2,919	\$ 2,647	\$ 8,360	\$ 7,740
Interest on Federal funds sold	57	67	102	207
Interest and dividends on investment securities:				
Taxable	666	800	1,954	2,693
Exempt from Federal income taxes	124	120	365	356
Interest on deposits with other banks	1	1	2	4
Total interest income	3,767	3,635	10,783	11,000
INTEREST EXPENSE:				
Interest on deposits	601	989	1,797	3,309
Other	89	1	252	11
Total interest expense	690	990	2,049	3,320
Net interest income before provision for credit losses	3,077	2,645	8,734	7,680
PROVISION FOR CREDIT LOSSES				
Net interest income after provision for credit losses	3,077	2,595	8,734	7,133
NON-INTEREST INCOME:				
Service charges	532	279	1,422	844
Rentals from equipment leased to others	214	396	834	1,085
Loan placement fees	85	48	232	144
Net realized gain on sales of investment securities	1	1	27	372
Other income	229	163	614	1,227
Total non-interest income	1,061	887	3,129	3,672
NON-INTEREST EXPENSES:				
Salaries and employee benefits	1,652	1,328	4,578	3,915
Occupancy and equipment	319	222	889	673
Depreciation and provision for losses on equipment leased to others	238	309	732	1,061
Other expense	812	781	2,644	2,419
Total non-interest expenses	3,021	2,640	8,843	8,068
Income before income taxes	1,117	842	3,020	2,737
INCOME TAX EXPENSE				
Income after income taxes	\$ 770	\$ 550	\$ 2,062	\$ 1,771
Earnings per share:				
Basic earnings per share	\$ 0.59	\$ 0.42	\$ 1.59	\$ 1.36
Diluted earnings per share	\$ 0.56	\$ 0.40	\$ 1.51	\$ 1.32

See notes to consolidated financial statements

CENTRAL VALLEY COMMUNITY BANCORP

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY

For the Nine Month Periods ended September 30, 2002 and 2001

(Unaudited) (In thousands except per share amounts)

	Common Stock		Retained	Accumulated	Shareholders	Comprehensive
	Stock	Amount	Earnings	Other	Equity	Income
				Comprehensive		Income
				Income		
Balance, January 1, 2001	1,303	\$ 6,465	\$ 11,354	\$ 851	\$ 18,670	
Comprehensive income						
Net income			1,771		1,771	\$ 1,771
Other comprehensive income, net of tax:						
Unrealized gains on available-for-sale investment securities				887	887	887
Total comprehensive income						\$ 2,658
Stock options exercised and related tax benefit	8	83			83	
Repurchase and retirement of common stock	(19)	(360)			(360)	
Balance, September 30, 2001	1,292	\$ 6,188	\$ 13,125	\$ 1,738	\$ 21,051	
Balance, January 1, 2002	1,285	\$ 6,049	\$ 13,733	\$ 1,046	\$ 20,828	
Comprehensive income						
Net income			2,062		2,062	\$ 2,062
Other comprehensive income, net of tax:						
Unrealized gains on available-for-sale investment securities				1,092	1,092	1,092
Total comprehensive income						\$ 3,154
Cash dividend - \$.10 per share			(130)		(130)	
Stock options exercised and related tax benefit of \$86	20	271			271	
Repurchase and retirement of common stock	(8)	(191)				