

CENTRUE FINANCIAL CORP

Form 10-Q

May 10, 2017

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, 2017

Commission File Number: 0-28846

Centrue Financial Corporation

(Exact name of Registrant as specified in its charter)

Delaware

36-3145350

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification number)

122 W. Madison Street, Ottawa, IL 61350

(Address of principal executive offices including zip code)

(815) 431-8400

(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 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

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 .

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 10, 2017

Common Stock, Par Value \$0.01 6,513,694

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CENTRUE FINANCIAL CORPORATION  
PART I FINANCIAL INFORMATION  
ITEM 1. FINANCIAL STATEMENTS  
UNAUDITED CONSOLIDATED BALANCE SHEETS  
(IN THOUSANDS, EXCEPT FOR PAR VALUE AND SHARE DATA)

	March 31, 2017	December 31, 2016
<b>ASSETS</b>		
Cash and cash equivalents	\$31,237	\$ 22,507
Securities available-for-sale	156,302	165,927
Restricted securities	8,019	9,860
Loans, net of allowance for loan loss: 2017 - \$8,944; 2016 - \$8,904	679,148	676,871
Bank-owned life insurance	36,203	35,986
Mortgage servicing rights	1,993	2,033
Premises and equipment, net	16,150	16,371
Other real estate owned, net	4,911	5,042
Deferred tax assets, net	34,100	35,035
Other assets	7,688	8,147
Total assets	\$975,751	\$ 977,779
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Liabilities</b>		
<b>Deposits:</b>		
Non-interest-bearing	\$152,196	\$ 152,524
Interest-bearing	576,293	587,522
Total deposits	728,489	740,046
Federal funds purchased and securities sold under agreements to repurchase	11,303	11,168
Federal Home Loan Bank advances	93,000	85,000
Series B mandatory redeemable preferred stock	209	209
Subordinated debentures	10,310	10,310
Other liabilities	4,037	4,117
Total liabilities	847,348	850,850
Commitments and contingent liabilities	—	—
<b>Stockholders' equity</b>		
Series D Fixed Rate, Non-Cumulative Perpetual Preferred Stock, 2,636 shares authorized and issued at March 31, 2017 and December 31, 2016; aggregate liquidation preference of \$2,636	2,636	2,636
Common stock, \$0.01 par value; 215,000,000 shares authorized; 6,581,544 shares issued at March 31, 2017 and December 31, 2016	66	66
Surplus	140,711	140,664
Retained earnings	4,022	3,029
Accumulated other comprehensive loss	(2,906 )	(3,340 )
	144,529	143,055
Treasury stock, at cost, 67,850 shares at March 31, 2017 and December 31, 2016	(16,126 )	(16,126 )
Total stockholders' equity	128,403	126,929

Total liabilities and stockholders' equity	\$975,751	\$ 977,779
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See Accompanying Notes to Consolidated Financial Statements

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CENTRUE FINANCIAL CORPORATION  
 UNAUDITED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME  
 (IN THOUSANDS, EXCEPT PER SHARE DATA)

	Three Months Ended March 31, 2017 2016	
Interest income		
Loans	\$7,403	\$7,029
Securities		
Taxable	677	829
Exempt from federal income taxes	22	23
Federal funds sold and other	5	32
Total interest income	8,107	7,913
Interest expense		
Deposits	376	263
Federal funds purchased and securities sold under agreements to repurchase	7	12
Federal Home Loan Bank advances	227	230
Series B mandatory redeemable preferred stock	3	4
Subordinated debentures	95	142
Total interest expense	708	651
Net interest income	7,399	7,262
Provision for loan losses	—	300
Net interest income after provision for loan losses	7,399	6,962
Noninterest income		
Service charges	852	945
Mortgage banking income	248	200
Electronic banking services	610	633
Bank-owned life insurance	217	223
Securities gains, net	—	37
Income from real estate	69	110
Gain on sale of OREO		