

FIRST NORTHERN COMMUNITY BANCORP
Form 10-Q
November 01, 2017
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 September 30, 2017

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 000-30707

First Northern Community Bancorp
(Exact name of registrant as specified in its charter)

California 68-0450397
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

195 N. First Street, Dixon, California 95620
(Address of principal executive offices) (Zip Code)

707-678-3041
(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 Section 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 website, 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, a 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

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Non-accelerated filer (Do not check if a smaller reporting company) 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

The number of shares of Common Stock outstanding as of October 27, 2017 was 11,172,640.

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PART I – FINANCIAL INFORMATION

FIRST NORTHERN COMMUNITY BANCORP

ITEM I. – FINANCIAL STATEMENTS (UNAUDITED)

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands, except share amounts)	September 30, 2017	December 31, 2016
Assets		
Cash and cash equivalents	\$ 150,156	\$ 159,643
Certificates of deposit	3,968	16,213
Investment securities – available-for-sale	302,255	277,079
Loans, net of allowance for loan losses of \$11,563 at September 30, 2017 and \$10,899 at December 31, 2016	693,066	669,770
Loans held-for-sale	1,811	3,326
Stock in Federal Home Loan Bank and other equity securities, at cost	5,567	4,409
Premises and equipment, net	6,383	7,304
Interest receivable and other assets	29,644	29,019
Total Assets	\$ 1,192,850	\$ 1,166,763
Liabilities and Stockholders' Equity		
Liabilities:		
Demand deposits	\$ 361,969	\$ 362,688
Interest-bearing transaction deposits	303,075	293,343
Savings and MMDA's	338,220	331,730
Time, \$250,000 or less	57,554	60,677
Time, over \$250,000	20,014	15,258
Total deposits	1,080,832	1,063,696
Interest payable and other liabilities	11,374	10,769
Total Liabilities	1,092,206	1,074,465
Stockholders' Equity:		
Common stock, no par value; 16,000,000 shares authorized; 11,172,640 shares issued and outstanding at September 30, 2017 and 11,148,446 shares issued and outstanding at December 31, 2016	79,574	79,114
Additional paid-in capital	977	977
Retained earnings	22,201	14,557
Accumulated other comprehensive loss, net	(2,108)	(2,350)
Total Stockholders' Equity	100,644	92,298
Total Liabilities and Stockholders' Equity	\$ 1,192,850	\$ 1,166,763

See notes to unaudited condensed consolidated financial statements.

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CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three months ended September 30, 2017	Three months ended September 30, 2016	Nine months ended September 30, 2017	Nine months ended September 30, 2016
(in thousands, except per share amounts)				
Interest and dividend income:				
Loans	\$ 8,394	\$ 7,771	\$ 24,566	\$ 22,802
Due from banks interest bearing accounts	419	215	1,042	676
Investment securities				
Taxable	1,252	913	3,545	2,577
Non-taxable	61	66	209	202
Other earning assets	93	97	284	274
Total interest and dividend income	10,219	9,062	29,646	26,531
Interest expense:				
Deposits	272	289	792	848
Total interest expense	272	289	792	848
Net interest income	9,947	8,773	28,854	25,683
Provision for loan losses	—	450	600	1,350
Net interest income after provision for loan losses	9,947	8,323	28,254	24,333
Non-interest income:				
Service charges on deposit accounts	532	510	1,445	1,536
Gains on sales of other real estate owned	—	—	—	4
Gains on sales of loans held-for-sale	123	234	418	596
Investment and brokerage services income	157	139	445	401
Mortgage brokerage income	32	9		