

Citizens Community Bancorp Inc.
Form 10-Q
August 11, 2014

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 June 30, 2014

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 001-33003

CITIZENS COMMUNITY BANCORP, INC.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)
2174 EastRidge Center, Eau Claire, WI 54701
(Address of principal executive offices)
715-836-9994
(Registrant's telephone number, including area code)

20-5120010
(IRS Employer
Identification Number)

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 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 (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer (do not check if a smaller reporting company) 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

APPLICABLE ONLY TO CORPORATE ISSUERS

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

At August 11, 2014 there were 5,167,061 shares of the registrant's common stock, par value \$0.01 per share, outstanding.

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PART 1 – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CITIZENS COMMUNITY BANCORP, INC.

Consolidated Balance Sheets

June 30, 2014 (unaudited) and September 30, 2013

(derived from audited financial statements)

(in thousands, except share data)

	June 30, 2014	September 30, 2013
Assets		
Cash and cash equivalents	\$9,342	\$17,601
Other interest-bearing deposits	245	1,988
Investment securities (at fair value of \$73,544 and \$79,695)	73,493	79,695
Non-marketable equity securities, at cost	4,995	3,300
Loans receivable	464,577	440,863
Allowance for loan losses	(6,338) (6,180
Loans receivable, net	458,239	434,683
Office properties and equipment, net	3,969	4,835
Accrued interest receivable	1,396	1,469
Intangible assets	175	218
Foreclosed and repossessed assets, net	1,345	1,028
Other assets	11,573	9,704
TOTAL ASSETS	\$564,772	\$554,521
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits	\$439,818	\$447,398
Federal Home Loan Bank advances	64,891	50,000
Other liabilities	3,464	2,938
Total liabilities	508,173	500,336
Stockholders' equity:		
Common stock— \$0.01 par value, authorized 30,000,000, 5,167,198 and 5,154,891 shares issued and outstanding, respectively	51	51
Additional paid-in capital	54,247	54,116
Retained earnings	3,448	2,473
Unearned deferred compensation	(241) (169
Accumulated other comprehensive loss	(906) (2,286
Total stockholders' equity	56,599	54,185
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$564,772	\$554,521

See accompanying condensed notes to unaudited consolidated financial statements.

CITIZENS COMMUNITY BANCORP, INC.

Consolidated Statements of Operations (unaudited)

Three and Nine Months Ended June 30, 2014 and 2013

(in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Interest and dividend income:				
Interest and fees on loans	\$5,589	\$5,710	\$16,830	\$17,412
Interest on investments	381	263	1,097	1,029
Total interest and dividend income	5,970	5,973	17,927	18,441
Interest expense:				
Interest on deposits	878	1,187	2,705	3,644
Interest on borrowed funds	168	111	486	392
Total interest expense	1,046	1,298	3,191	4,036
Net interest income before provision for loan losses	4,924	4,675	14,736	14,405
Provision for loan losses	455	750	1,535	2,415
Net interest income after provision for loan losses	4,469	3,925	13,201	11,990
Non-interest income:				
Total fair value adjustments and other-than-temporary impairment	—	67	(78) 73
Portion of loss recognized in other comprehensive income (before tax)	—	(193) —	(863