

AMERICAN RIVER BANKSHARES

Form 10-Q

August 08, 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 June 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: 0-31525

AMERICAN  
RIVER  
BANKSHARES  
(Exact name of  
registrant as  
specified in its

charter)

California 68-0352144  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

3100 Zinfandel Drive, Suite 450, Rancho Cordova, California 95670  
(Address of principal executive offices) (Zip Code)

(916) 851-0123  
(Registrant's telephone number, including area code)

Not Applicable  
(Former name, former address and former fiscal year, if changed since last report.)

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, 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   
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.

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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:

No par value Common Stock – 6,391,520 shares outstanding at August 8, 2017.

**AMERICAN RIVER BANKSHARES**

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FOR THE QUARTER ENDED JUNE 30, 2017**

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**PART I-FINANCIAL INFORMATION****Item 1. Financial Statements.**

## AMERICAN RIVER BANKSHARES

## CONSOLIDATED BALANCE SHEET

(Unaudited)

(dollars in thousands)	June 30, 2017	December 31, 2016
<b>ASSETS</b>		
Cash and due from banks	\$22,004	\$ 27,589
Interest-bearing deposits in banks	1,248	999
Investment securities:		
Available-for-sale, at fair value	257,471	254,020
Held-to-maturity, at amortized cost	429	483
Loans and leases, less allowance for loan and lease losses of \$4,881 at June 30, 2017 and \$4,822 at December 31, 2016	316,146	324,086
Premises and equipment, net	1,275	1,362
Federal Home Loan Bank stock	3,932	3,779
Goodwill and other intangible assets	16,321	16,321
Other real estate owned	1,348	1,348
Bank owned life insurance	14,962	14,805
Accrued interest receivable and other assets	6,469	6,658
	<b>\$641,605</b>	<b>\$ 651,450</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits:		
Noninterest bearing	\$196,212	\$ 201,113
Interest-bearing	341,668	343,693
Total deposits	537,880	544,806
Short-term borrowings	2,000	3,500
Long-term borrowings	13,500	12,000
Accrued interest payable and other liabilities	6,852	7,294
Total liabilities	560,232	567,600
Shareholders' equity:		
Preferred stock, no par value; 20,000,000 shares authorized; none outstanding		
Common stock, no par value; 20,000,000 shares authorized; issued and outstanding – 6,357,767 shares at June 30, 2017 and 6,661,726 shares at December 31, 2016	37,739	42,484
Retained earnings	42,646	40,822
Accumulated other comprehensive income, net of taxes	988	544

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Total shareholders' equity	81,373	83,850
	\$641,605	\$ 651,450

See Notes to Unaudited Consolidated Financial Statements

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## AMERICAN RIVER BANKSHARES

## CONSOLIDATED STATEMENT OF INCOME

(Unaudited)

(dollars in thousands, except per share data)

For the periods ended June 30,

	Three months		Six months	
	2017	2016	2017	2016
Interest income:				
Interest and fees on loans:				
Taxable	\$3,458	\$3,445	\$6,888	\$6,807
Exempt from Federal income taxes	133	173	266	345
Interest on deposits in banks	3	2	5	3
Interest and dividends on investment securities:				
Taxable	1,363	1,441	2,686	2,993
Exempt from Federal income taxes	159	162	316	346
Dividends	5	6	13	11
Total interest income	5,121	5,229	10,174	10,505
Interest expense:				
Interest on deposits	203	182	397	366
Interest on borrowings	49	39	97	89
Total interest expense	252	221	494	455
Net interest income	4,869	5,008	9,680	10,050
Provision for loan and lease losses	—	—	—	—
Net interest income after provision for loan and lease losses	4,869	5,008	9,680	10,050
Noninterest income:				
Service charges on deposit accounts	114	127	231	256
Gain (loss) on sale, call, or impairment of securities	86	(1 )	142	281
Rental income from other real estate owned	—	—	—	106
Other noninterest income	239	237	485	474
Total noninterest income	439	363	858	1,117
Noninterest expense:				
Salaries and employee benefits	2,064	2,101	4,234	4,261
Occupancy	262	292	531	590
Furniture and equipment	147	163	298	328
Federal Deposit Insurance Corporation assessments				