

EVANS BANCORP INC
Form 10-Q
August 04, 2016

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 quarterly period ended June 30, 2016

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 001-35021

EVANS BANCORP, INC. .

(Exact name of registrant as specified in its charter)

New York 16-1332767

(State or other jurisdiction of (I.R.S. Employer

incorporation or organization) Identification No.)

One Grimsby Drive, Hamburg, NY 14075

(Address of principal executive offices) (Zip Code)

(716) 926-2000 .

(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, 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 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

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

Common Stock, \$.50 par value 4,286,939 shares as of August 4, 2016

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 ITEM 1 - FINANCIAL STATEMENTS
 EVANS BANCORP, INC. AND SUBSIDIARIES
 UNAUDITED CONSOLIDATED BALANCE SHEETS
 JUNE 30, 2016 AND DECEMBER 31, 2015
 (in thousands, except share and per share amounts)

	June 30, 2016	December 31, 2015
ASSETS		
Cash and due from banks	\$ 10,807	\$ 11,813
Interest-bearing deposits at banks	723	10,808
Securities:		
Available for sale, at fair value (amortized cost: \$106,875 at June 30, 2016; \$96,374 at December 31, 2015)	109,107	97,141
Held to maturity, at amortized cost (fair value: \$1,519 at June 30, 2016; \$1,584 at December 31, 2015)	1,522	1,617
Federal Home Loan Bank common stock, at cost	1,636	1,296
Federal Reserve Bank common stock, at cost	1,501	1,487
Loans, net of allowance for loan losses of \$12,773 at June 30, 2016 and \$12,883 at December 31, 2015	840,533	761,101
Properties and equipment, net of accumulated depreciation of \$16,377 at June 30, 2016 and \$15,799 at December 31, 2015	11,592	11,051
Goodwill	8,101	8,101
Bank-owned life insurance	21,254	20,978
Other assets	14,822	13,714
TOTAL ASSETS	\$ 1,021,598	\$ 939,107
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Demand	\$ 187,774	\$ 183,098
NOW	88,993	83,674
Regular savings	480,290	439,993
Time	112,828	96,217
Total deposits	869,885	802,982
Securities sold under agreement to repurchase	14,511	10,821
Other borrowings	16,000	10,000
Other liabilities	15,083	12,718
Junior subordinated debentures	11,330	11,330
Total liabilities	926,809	847,851
CONTINGENT LIABILITIES AND COMMITMENTS		

STOCKHOLDERS' EQUITY:

Common stock, \$.50 par value, 10,000,000 shares authorized; 4,290,222 and 4,260,203 shares issued at June 30, 2016 and December 31, 2015, respectively, and 4,286,939 and 4,257,179 outstanding at June 30, 2016 and December 31, 2015, respectively	2,147	2,132
Capital surplus	43,836	43,318
Treasury stock, at cost, 3,283 and 3,024 shares at June 30, 2016 and December 31, 2015, respectively	(80)	-
Retained earnings	49,707	47,616
Accumulated other comprehensive loss, net of tax	(821)	(1,810)
Total stockholders' equity	94,789	91,256
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,021,598	\$ 939,107

See Notes to Unaudited Consolidated Financial Statements

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 ITEM 1 - FINANCIAL STATEMENTS
 EVANS BANCORP, INC. AND SUBSIDIARIES
 UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
 THREE MONTHS ENDED JUNE 30, 2016 AND 2015
 (in thousands, except share and per share amounts)

	Three Months Ended June 30,	
	2016	2015
INTEREST INCOME		
Loans	\$ 8,878	\$ 7,934
Interest bearing deposits at banks	33	33
Securities:		
Taxable	561	429
Non-taxable	222	240
Total interest income	9,694	8,636
INTEREST EXPENSE		
Deposits	1,036	860
Other borrowings	51	46
Junior subordinated debentures		