

EVANS BANCORP INC
Form 10-Q
August 03, 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 quarterly period ended June 30, 2017

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, 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. (Check one):

Large accelerated filer

Accelerated filer

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

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by checkmark 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.

Edgar Filing: EVANS BANCORP INC - Form 10-Q

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, 4,774,967 shares as of August 3, 2017

Table of Contents

INDEX

EVANS BANCORP, INC. AND SUBSIDIARIES

PART 1. FINANCIAL INFORMATION	PAGE
<u>Financial Statements</u>	
1.	
<u>Unaudited Consolidated Balance Sheets – June 30, 2017 and December 31, 2016</u>	1
<u>Unaudited Consolidated Statements of Income – Three months ended June 30, 2017 and 2016</u>	2
<u>Unaudited Consolidated Statements of Income – Six months ended June 30, 2017 and 2016</u>	3
<u>Unaudited Consolidated Statements of Comprehensive Income – Three months ended June 30, 2017 and 2016</u>	4
<u>Unaudited Consolidated Statements of Comprehensive Income – Six months ended June 30, 2017 and 2016</u>	5
<u>Unaudited Consolidated Statements of Changes in Stockholders' Equity – Six months ended June 30, 2017 and 2016</u>	6
<u>Unaudited Consolidated Statements of Cash Flows - Six months ended June 30, 2017 and 2016</u>	7
<u>Notes to Unaudited Consolidated Financial Statements</u>	9
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	37
2.	
<u>Quantitative and Qualitative Disclosures About Market Risk</u>	46
3.	
<u>Controls and Procedures</u>	47
4.	
PART II. OTHER INFORMATION	

<u>Legal Proceedings</u>	48
1.	
<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	48
2.	
<u>Exhibits</u>	48
6.	
<u>Signatures</u>	49

Table of Contents

PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS
EVANS BANCORP, INC. AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS
JUNE 30, 2017 AND DECEMBER 31, 2016
(in thousands, except share and per share amounts)

	June 30, 2017	December 31, 2016
ASSETS		
Cash and due from banks	\$ 13,869	\$ 12,503
Interest-bearing deposits at banks	1,776	581
Securities:		
Available for sale, at fair value (amortized cost: \$141,510 at June 30, 2017; \$95,810 at December 31, 2016)	141,225	95,222
Held to maturity, at amortized cost (fair value: \$1,357 at June 30, 2017; \$1,959 at December 31, 2016)	1,372	1,983
Federal Home Loan Bank common stock, at cost	1,727	2,185
Federal Reserve Bank common stock, at cost	1,908	1,546
Loans, net of allowance for loan losses of \$14,178 at June 30, 2017 and \$13,916 at December 31, 2016	962,315	928,596
Properties and equipment, net of accumulated depreciation of \$17,641 at June 30, 2017 and \$17,012 at December 31, 2016	10,960	11,310
Goodwill and intangible assets	8,609	8,406
Bank-owned life insurance	21,805	21,534
Other assets	17,280	16,843
&#		