

HomeTrust Bancshares, Inc.
Form 10-Q
November 09, 2016

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2016

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission file number: 001-35593

HOMETRUST BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

Maryland

45-5055422

(State or other jurisdiction of incorporation of organization) (IRS Employer Identification No.)

10 Woodfin Street, Asheville, North Carolina 28801

(Address of principal executive offices; Zip Code)

(828) 259-3939

(Registrant's telephone number, including area code)

None

(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 and 15(d) of the Exchange Act 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.

Large accelerated filer

Accelerated filer

(Do not check if a smaller reporting company)

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Non-accelerated filer

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

There were 18,000,750 shares of common stock, par value of \$.01 per share, issued and outstanding as of November 4, 2016.

HOMETRUST BANCSHARES, INC. AND SUBSIDIARIES
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

Consolidated Balance Sheets

(Dollars in thousands, except per share data)

(Unaudited)

	September 30, 2016	June 30, 2016
Assets		
Cash	\$ 32,081	\$ 29,947
Interest-bearing deposits	28,482	22,649
Cash and cash equivalents	60,563	52,596
Commercial paper	220,682	229,859
Certificates of deposit in other banks	153,431	161,512
Securities available for sale, at fair value	193,701	200,652
Other investments, at cost	31,509	29,486
Loans held for sale	8,832	5,783
Total loans, net of deferred loan costs and discount	1,881,481	1,832,831
Allowance for loan losses	(20,951)	(21,292)
Net loans	1,860,530	1,811,539
Premises and equipment, net	53,981	54,231
Accrued interest receivable	7,729	7,405
Real estate owned ("REO")	5,715	5,956
Deferred income taxes	52,087	54,153
Bank owned life insurance	80,444	79,858
Goodwill	12,673	12,673
Core deposit intangibles	6,486	7,136
Other assets	5,746	4,838
Total Assets	\$ 2,754,109	\$ 2,717,677
Liabilities and Stockholders' Equity		
Liabilities		
Deposits	\$ 1,793,528	\$ 1,802,696
Borrowings	536,500	491,000
Capital lease obligations	1,953	1,958
Other liabilities	57,727	62,047
Total liabilities	2,389,708	2,357,701
Stockholders' Equity		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized, none issued or outstanding	—	—
Common stock, \$0.01 par value, 60,000,000 shares authorized,	180	180

17,999,150 shares

issued and outstanding

at September 30, 2016;

17,998,750 at June 30,

2016

Additional paid in capital	186,960		186,104	
Retained earnings	183,637		179,813	
Unearned Employee Stock Ownership Plan ("ESOP")	(8,332)	(8,464)
shares				
Accumulated other comprehensive income	1,956		2,343	
Total stockholders' equity	364,401		359,976	
Total Liabilities and Stockholders' Equity	\$	2,754,109	\$	2,717,677

The accompanying notes are an integral part of these consolidated financial statements.

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HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

Consolidated Statements of Income

(Dollars in thousands, except per share data)

	(Unaudited)	
	Three Months	
	Ended	
	September 30,	
	2016	2015
Interest and Dividend Income		
Loans	\$20,480	\$ 19,635
Securities available for sale	880	1,199
Certificates of deposit and other interest-bearing deposits	1,044	830
Other investments	387	345
Total interest and dividend income	22,791	22,009
Interest Expense		
Deposits	1,099	1,191
Other borrowings	555	247
Total interest expense	1,654	1,438
Net Interest Income	21,137	20,571
Provision for Loan Losses	—	—
Net Interest Income after Provision for Loan Losses	21,137	20,571
Noninterest Income		
Service charges on deposit accounts	1,749	1,699
Mortgage banking income and fees	976	728
Gain from sale of premises and equipment	385	—
Other, net	966	942
Total noninterest income	4,076	3,369
Noninterest Expense		
Salaries and employee benefits	10,691	10,857
Net occupancy expense	2,061	2,259
Marketing and advertising	430	485
Telephone, postage, and supplies	612	830
Deposit insurance premiums	279	525
Computer services	1,427	1,584
Loss (gain) on sale and impairment of REO	129	(21)
REO expense	144	355
Core deposit intangible amortization	650	774
Merger-related expenses	307	—
Other	2,235	2,187
Total noninterest expense	18,965	19,835
Income Before Income Taxes	6,248	4,105
Income Tax Expense	2,424	1,541
Net Income	\$3,824	\$ 2,564
Per Share Data:		
Net income per common share:		
Basic	\$0.22	\$ 0.14
Diluted	\$0.22	\$ 0.14
Average shares outstanding:		
Basic	17,208,682	18,077,987

Diluted

17,451,298,291,029

The accompanying notes are an integral part of these consolidated financial statements.

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HOMETRUST BANCSHARES, INC. AND SUBSIDIARY

Consolidated Statements of Comprehensive Income

(Dollars in thousands)

	Three Months Ended September 30,	
	2016	2015
Net Income	\$3,824	\$2,564
Other Comprehensive Income		
Unrealized holding gains (losses) on securities available for sale		
Gains (losses) arising during the period	(586)	1,327
Deferred income tax benefit (expense)	199	(451)
Total other comprehensive income (loss)	\$(387)	\$876
Comprehensive Income	\$3,437	\$3,440

The accompanying notes are an integral part of these consolidated financial statements.

HOMETRUST BANCSHARES, INC. AND SUBSIDIARY
Consolidated Statements of Changes in Stockholders' Equity
(Dollars in thousands)

	Common Stock		Additional Paid In Capital	Retained Earnings	Unearned ESOP Shares	Accumulated Other Comprehensive Income (loss)	Total Stockholders' Equity
	Shares	Amount					
Balance at June 30, 2015	19,488,449	\$ 195	\$210,621	\$168,357	\$(8,993)	\$ 870	\$ 371,050
Net income	—	—	—	2,564	—	—	2,564
Stock repurchased	(414,362)	(4)	(7,367)	—	—	—	(7,371)
Forfeited restricted stock	(450)	—	—	—	—	—	—
Exercised stock options	400	—	6	—	—	—	6
Stock option expense	—	—	442	—	—	—	442
Restricted stock expense	—	—	346	—	—	—	346
ESOP shares allocated	—	—	103	—	132	—	235
Other comprehensive income	—	—	—	—	—	876	876
Balance at September 30, 2015	19,074,037	\$ 191	\$204,151	\$170,921	\$(8,861)	\$ 1,746	\$ 368,148
Balance at June 30, 2016	17,998,750	\$ 180	\$186,104	\$179,813	\$(8,464)	\$ 2,343	\$ 359,976
Net income	—	—	—	3,824	—	—	3,824
Granted restricted stock	400	—	—	—	—	—	—