

GREENE COUNTY BANCORP INC  
Form 10-Q  
November 08, 2018

---

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

---

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OF 15(d) OF THE SECURITIES EXCHANGE ACT

GREENE COUNTY BANCORP, INC.  
(Exact name of registrant as specified in its charter)

Commission file number 0-25165

United States 14-1809721  
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

302 Main Street, Catskill, New York 12414  
(Address of principal executive office) (Zip code)

Registrant's telephone number, including area code: (518) 943-2600

Check 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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T 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

Edgar Filing: GREENE COUNTY BANCORP INC - Form 10-Q

Non-accelerated filer                      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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
YES    NO

As of November 8, 2018, the registrant had 8,537,814 shares of common stock outstanding at \$ 0.10 par value per share.

---

---

GREENE COUNTY BANCORP, INC.

INDEX

PART I.	FINANCIAL INFORMATION	Page
Item 1.	Financial Statements (unaudited)	
	<u>* Consolidated Statements of Financial Condition</u>	3
	<u>* Consolidated Statements of Income</u>	4
	<u>* Consolidated Statements of Comprehensive Income</u>	5
	<u>* Consolidated Statements of Changes in Shareholders' Equity</u>	6
	<u>* Consolidated Statements of Cash Flows</u>	7
	<u>* Notes to Consolidated Financial Statements</u>	8-30
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	30-42
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	43
Item 4.	<u>Controls and Procedures</u>	43
PART II.	OTHER INFORMATION	
Item 1.	<u>Legal Proceedings</u>	44
Item 1A.	<u>Risk Factors</u>	44
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	44
Item 3.	<u>Defaults Upon Senior Securities</u>	44
Item 4.	<u>Mine Safety Disclosures</u>	44
Item 5.	<u>Other Information</u>	44
Item 6.	<u>Exhibits</u>	44
	<u>Signatures</u>	45

Index

Greene County Bancorp, Inc.  
Consolidated Statements of Financial Condition  
At September 30, 2018 and June 30, 2018  
(Unaudited)  
(In thousands, except share and per share amounts)

	September 30, 2018	June 30, 2018
<b>ASSETS</b>		
Total cash and cash equivalents	\$ 35,132	\$ 26,504
Long term certificate of deposit	2,385	2,385
Securities available-for-sale, at fair value	119,600	120,806
Securities held-to-maturity, at amortized cost (fair value \$279,061 at September 30, 2018; \$274,177 at June 30, 2018)	280,774	274,550
Equity securities, at fair value	232	217
Federal Home Loan Bank stock, at cost	4,147	1,545
Loans	736,076	715,641
Allowance for loan losses	(12,308	) (12,024 )
Unearned origination fees and costs, net	758	814
Net loans receivable	724,526	704,431
Premises and equipment	13,267	13,304
Accrued interest receivable	5,437	5,057
Foreclosed real estate	79	119
Prepaid expenses and other assets	2,294	2,560
Total assets	\$ 1,187,873	\$ 1,151,478
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Noninterest-bearing deposits	\$ 109,358	\$ 102,694
Interest-bearing deposits	893,103	922,540
Total deposits	1,002,461	1,025,234
Borrowings from Federal Home Loan Bank, short-term	58,800	-
Borrowings from Federal Home Loan Bank, long-term	17,150	18,150
Accrued expenses and other liabilities	9,821	11,903
Total liabilities	1,088,232	1,055,287
<b>SHAREHOLDERS' EQUITY</b>		
Preferred stock, Authorized - 1,000,000 shares; Issued - None	-	-
Common stock, par value \$.10 per share; Authorized - 12,000,000 shares; Issued - 8,611,340 shares; Outstanding - 8,537,814 shares at September 30, 2018, and June 30, 2018	861	861
Additional paid-in capital	11,017	11,017
Retained earnings	89,853	86,213
Accumulated other comprehensive loss	(1,813	) (1,623 )
Treasury stock, at cost 73,526 shares at September 30, 2018, and June 30, 2018	(277	) (277 )
Total shareholders' equity	99,641	96,191
Total liabilities and shareholders' equity	\$ 1,187,873	\$ 1,151,478

See notes to consolidated financial statements

3

---

Index

Greene County Bancorp, Inc.

Consolidated Statements of Income

For the Three Months Ended September 30, 2018 and 2017

(Unaudited)

(In thousands, except share and per share amounts)

	2018	2017
Interest income:		
Loans	\$8,298	\$7,059
Investment securities - taxable	194	165
Mortgage-backed securities	1,114	817
Investment securities - tax exempt	1,360	1,036
Interest-bearing deposits and federal funds sold	31	12
Total interest income	10,997	9,089
Interest expense:		
Interest on deposits	1,036	809
Interest on borrowings	304	110
Total interest expense	1,340	919
Net interest income	9,657	8,170
Provision for loan losses	354	347
Net interest income after provision for loan losses	9,303	7,823
Noninterest income:		
Service charges on deposit accounts	1,037	851
Debit card fees	640	566
Investment services	115	72
E-commerce fees	37	38
Other operating income	223	213
Total noninterest income	2,052	1,740
Noninterest expense:		
Salaries and employee benefits	3,478	2,882
Occupancy expense	402	356
Equipment and furniture expense	214	113
Service and data processing fees	495	487
Computer software, supplies and support	223	143
Advertising and promotion	120	55
FDIC insurance premiums	127	93
Legal and professional fees	329	231
Other	573	533
Total noninterest expense	5,961	4,893
Income before provision for income taxes	5,394	4,670
Provision for income taxes	1,014	1,198
Net income	\$4,380	\$3,472
Basic earnings per share	\$0.51	\$0.41
Basic average shares outstanding	8,537,814	8,502,734

Edgar Filing: GREENE COUNTY BANCORP INC - Form 10-Q

Diluted earnings per share	\$0.51	\$0.41
Diluted average shares outstanding	8,537,814	8,531,242
Dividends per share	\$0.1000	\$0.0975

See notes to consolidated financial statements

4

---

Index

Greene County Bancorp, Inc.  
 Consolidated Statements of Comprehensive Income  
 For the Three Months Ended September 30, 2018 and 2017  
 (Unaudited)  
 (In thousands)

	2018	2017
Net Income	\$4,380	\$3,472
Other comprehensive income (loss) income:		
Unrealized holding (losses) gains on available-for-sale securities, net of income tax (benefit) expense of (\$27) and \$145, respectively	(76 )	235
Total other comprehensive (loss) income, net of taxes	(76 )	235
Comprehensive income	\$4,304	\$3,707

See notes to consolidated financial statements.



Index

Greene County Bancorp, Inc.

Consolidated Statements of Changes in Shareholders' Equity

For the Three Months Ended September 30, 2018 and 2017

(Unaudited)

(In thousands)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Shareholders' Equity
Balance at June 30, 2017	\$ 861	\$ 10,990	\$ 73,072	\$ (992 )	\$ (410 )	\$ 83,521
Options exercised		2			4	6
Dividends declared			(379 )			(379 )
Net income			3,472			3,472
Other comprehensive income, net of taxes				235		235
Balance at September 30, 2017	\$ 861	\$ 10,992	\$ 76,165	\$ (757 )	\$ (406 )	\$ 86,855

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Shareholders' Equity
Balance at June 30, 2018	\$ 861	\$ 11,017	\$ 86,213	\$ (1,623 )	\$ (277 )	\$ 96,191
Impact of Adopting ASU 2016-01 <sup>(1)</sup>			114	(114 )		-
Dividends declared			(854 )			(854 )
Net income			4,380			4,380
Other comprehensive loss, net of taxes						