

ESSA Bancorp, Inc.
Form 10-Q
May 10, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended March 31, 2018

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 No. 001-33384

ESSA Bancorp, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	20-8023072
(State or other jurisdiction of	(I.R.S. Employer
incorporation or organization)	Identification Number)

200 Palmer Street, Stroudsburg, Pennsylvania	18360
(Address of Principal Executive Offices)	(Zip Code)

(570) 421-0531

(Registrant's telephone number)

N/A

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(Former name or former address, 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 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 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 filers," "accelerated filers," "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 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.

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 May 8, 2018 there were 11,766,509 shares of the Registrant's common stock, par value \$0.01 per share, outstanding.

ESSA Bancorp, Inc.

FORM 10-Q

Table of Contents

	Page
<u>Part I. Financial Information</u>	
Item 1. <u>Financial Statements (unaudited)</u>	2
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	40
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	50
Item 4. <u>Controls and Procedures</u>	50
<u>Part II. Other Information</u>	
Item 1. <u>Legal Proceedings</u>	51
Item 1A. <u>Risk Factors</u>	51
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	51
Item 3. <u>Defaults Upon Senior Securities</u>	51
Item 4. <u>Mine Safety Disclosures</u>	51
Item 5. <u>Other Information</u>	51
Item 6. <u>Exhibits</u>	52
<u>Signature Page</u>	53

Part I. Financial Information

Item 1. Financial Statements

ESSA BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET

(UNAUDITED)

	March 31, 2018	September 30, 2017
	(dollars in thousands)	
Cash and due from banks	\$29,112	\$ 36,008
Interest-bearing deposits with other institutions	5,692	5,675
Total cash and cash equivalents	34,804	41,683
Certificates of deposit	500	500
Investment securities available for sale, at fair value	377,375	390,452
Loans receivable (net of allowance for loan losses of \$10,510 and \$9,365)	1,291,262	1,236,681
Regulatory stock, at cost	17,234	13,832
Premises and equipment, net	15,604	16,234
Bank-owned life insurance	38,130	37,626
Foreclosed real estate	1,279	1,424
Intangible assets, net	1,565	1,844
Goodwill	13,801	13,801
Deferred income taxes	8,299	10,422
Other assets	21,071	20,719
TOTAL ASSETS	\$1,820,924	\$ 1,785,218
LIABILITIES		
Deposits	\$1,239,353	\$ 1,274,861
Short-term borrowings	241,345	137,446
Other borrowings	139,434	174,168
Advances by borrowers for taxes and insurance	12,188	5,163
Other liabilities	11,226	10,853
TOTAL LIABILITIES	1,643,546	1,602,491
STOCKHOLDERS' EQUITY		
Preferred Stock (\$0.01 par value; 10,000,000 shares authorized, none issued)	—	—
Common stock (\$0.01 par value; 40,000,000 shares authorized, 18,133,095 issued; 11,732,222 and 11,596,263 outstanding at March 31, 2018 and September 30, 2017, respectively)	181	181
Additional paid in capital	180,466	180,764
Unallocated common stock held by the Employee Stock Ownership Plan (ESOP)	(8,488)	(8,720)
Retained earnings	90,179	91,147
Treasury stock, at cost; 6,400,873 and 6,536,832 shares outstanding at March 31, 2018 and September 30, 2017, respectively	(78,225)	(79,891)

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Accumulated other comprehensive loss	(6,735)	(754)
TOTAL STOCKHOLDERS' EQUITY	177,378	182,727
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$1,820,924	\$ 1,785,218

See accompanying notes to the unaudited consolidated financial statements.

2

ESSA BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS

(UNAUDITED)

	For the Three Months Ended March 31, 2018		For the Six Months Ended March 31, 2018	
	2017	2017	2017	2017
	(dollars in thousands, except per share data)		(dollars in thousands, except per share data)	
INTEREST INCOME				
Loans receivable, including fees	\$12,953	\$11,799	\$25,736	\$24,050
Investment securities:				
Taxable	2,186	2,043	4,244	3,917
Exempt from federal income tax	285	303	573	612
Other investment income	423	234	670	450
Total interest income	15,847	14,379	31,223	29,029
INTEREST EXPENSE				
Deposits	2,359	2,069	4,736	4,081
Short-term borrowings	951	296	1,535	547
Other borrowings	602	710	1,249	1,465
Total interest expense				