

CODORUS VALLEY BANCORP INC

Form 10-Q

November 04, 2015

Table of Contents

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 September 30, 2015

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 number: 0-15536

CODORUS VALLEY BANCORP, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania J3-2428543

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

incorporation Identification
or organization) No.)

105 Leader Heights Road, P.O. Box 2887, York, Pennsylvania 17405
(Address of principal executive offices) (Zip code)

717-747-1519

(Registrant's
telephone
number,
including area
code)

Not Applicable

(Former name,
former address
and former fiscal
year,

if changed since
the 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 definition 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 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. On October 30, 2015, 5,893,936 shares of common stock, par value \$2.50, were outstanding.

Codorus Valley Bancorp, Inc.

Form 10-Q Index

<u>PART I – FINANCIAL INFORMATION</u>	Page #
<u>Item 1. Financial statements (unaudited):</u>	
<u>Consolidated balance sheets</u>	3
<u>Consolidated statements of income</u>	4
<u>Consolidated statements of comprehensive income</u>	5
<u>Consolidated statements of cash flows</u>	6
<u>Consolidated statements of changes in shareholders' equity</u>	7
<u>Notes to consolidated financial statements</u>	8
<u>Item 2. Management's discussion and analysis of financial condition and results of operations</u>	39
<u>Item 3. Quantitative and qualitative disclosures about market risk</u>	65
<u>Item 4. Controls and procedures</u>	66
 <u>PART II – OTHER INFORMATION</u>	
<u>Item 1. Legal proceedings</u>	66
<u>Item 1A. Risk factors</u>	66
<u>Item 2. Unregistered sales of equity securities and use of proceeds</u>	67
<u>Item 3. Defaults upon senior securities</u>	67
<u>Item 4. Mine safety disclosures</u>	67
<u>Item 5. Other information</u>	67
<u>Item 6. Exhibits</u>	68
<u>SIGNATURES</u>	69

Table of Contents**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements**

Codorus Valley Bancorp, Inc.

Consolidated Balance Sheets

	(Unaudited)	
	September 30, 2015	December 31, 2014
<i>(dollars in thousands, except share and per share data)</i>		
Assets		
Interest bearing deposits with banks	\$ 59,329	\$ 17,420
Cash and due from banks	12,704	13,674
Total cash and cash equivalents	72,033	31,094
Securities, available-for-sale	210,678	213,174
Restricted investment in bank stocks, at cost	5,028	3,799
Loans held for sale	608	464
Loans (net of deferred fees of \$2,487 - 2015 and \$2,249 - 2014)	1,055,649	920,090
Less-allowance for loan losses	(12,380)	(11,162)
Net loans	1,043,269	908,928
Premises and equipment, net	22,812	18,471
Goodwill	2,421	0
Other assets	40,227	37,916
Total assets	\$ 1,397,076	\$ 1,213,846
Liabilities		
Deposits		
Noninterest bearing	\$ 144,955	\$ 121,673
Interest bearing	949,688	833,300
Total deposits	1,094,643	954,973
Short-term borrowings	47,329	42,184
Long-term debt	120,335	90,406
Other liabilities	9,325	7,843
Total liabilities	1,271,632	1,095,406
Shareholders' equity		
Preferred stock, par value \$2.50 per share; \$1,000 liquidation preference, 1,000,000 shares authorized; Series B shares issued and outstanding: 12,000 at September 30, 2015 and December 31, 2014	12,000	12,000

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Common stock, par value \$2.50 per share; 15,000,000 shares authorized; shares issued and outstanding: 6,184,645 at September 30, 2015 and 5,830,913 at December 31, 2014	15,461	14,577
Additional paid-in capital	68,988	62,713
Retained earnings	26,569	26,483
Accumulated other comprehensive income	2,426	2,667
Total shareholders' equity	125,444	118,440
Total liabilities and shareholders' equity	\$1,397,076	\$1,213,846

See accompanying notes.

- 3 -

Table of Contents

Codorus Valley Bancorp, Inc.

Consolidated Statements of Income

Unaudited

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
<i>(dollars in thousands, except per share data)</i>				
Interest income				
Loans, including fees	\$12,868	\$11,272	\$37,735	\$33,157
Investment securities:				
Taxable	738	867	2,280	2,564
Tax-exempt	412	467	1,256	1,513
Dividends	64	48	270	171
Other	35	16	68	42
Total interest income	14,117	12,670	41,609	37,447
Interest expense				
Deposits	1,564	1,682	4,755	5,094
Federal funds purchased and other short-term borrowings	47	43	126	116
Long-term debt	484	299	1,199	881
Total interest expense	2,095	2,024	6,080	6,091
Net interest income	12,022	10,646	35,529	31,356
Provision for loan losses	500	250	2,300	1,100
Net interest income after provision for loan losses	11,522	10,396	33,229	30,256
Noninterest income				
Trust and investment services fees	604	592	1,809	1,644
Income from mutual fund, annuity and insurance sales	265	178	580	503
Service charges on deposit accounts	882	783	2,514	2,221
Income from bank owned life insurance	179	184	523	532
Other income	110	155	426	458
Net gain on sales of loans held for sale	181	124	489	306
Gain on sales of securities	121	146	492	