

AMERICAN RIVER BANKSHARES
Form 10-Q
November 06, 2009

**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 the quarterly period ended **September 30, 2009**

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: 0-31525

AMERICAN RIVER BANKSHARES

(Exact name of registrant as specified in its charter)

California

68-0352144

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

3100 Zinfandel Drive, Suite 450, Rancho Cordova, California

95670

(Address of principal executive offices)

(Zip Code)

(916) 851-0123

(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

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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

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

No par value Common Stock – 5,797,533 shares outstanding at November 5, 2009.

AMERICAN RIVER BANKSHARES

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FOR THE QUARTER ENDED SEPTEMBER 30, 2009

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32.1	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements.

AMERICAN RIVER BANKSHARES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(dollars in thousands)	September 30, 2009	December 31, 2008
ASSETS		
Cash and due from banks	\$ 54,304	\$ 15,170
Interest-bearing deposits in banks	—	4,248
Investment securities:		
Available-for-sale (amortized cost: 2009—\$64,213; 2008—\$62,661)	65,731	63,334
Held-to-maturity (fair value: 2009—\$15,339; 2008—\$24,889)	14,617	24,365
Loans and leases, less allowance for loan and lease losses of \$7,572 at September 30, 2009 and \$5,918 at December 31, 2008	387,316	412,356
Premises and equipment, net	2,168	2,115
Federal Home Loan Bank stock	3,922	3,922
Goodwill and other intangible assets	17,029	17,228
Other real estate owned	3,484	2,158
Accrued interest receivable and other assets	17,566	18,261
	\$ 566,137	\$ 563,157
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Noninterest bearing	\$ 118,418	\$ 119,143
Interest-bearing	346,499	317,918
Total deposits	464,917	437,061
Short-term borrowings	17,000	43,231
Long-term borrowings	17,000	14,000
Accrued interest payable and other liabilities	3,334	5,418
Total liabilities	502,251	499,710
Commitments and contingencies		
Shareholders' equity:		
Preferred Stock, no par value; 20,000,000 shares authorized; none outstanding		
Common stock, no par value; 20,000,000 shares authorized; issued and outstanding – 5,797,533 shares at September 30, 2009 and 5,792,283 shares at December 31, 2008	47,625	47,433

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Retained earnings	15,365	15,617
Accumulated other comprehensive income, net of taxes	896	397
Total shareholders' equity	63,886	63,447
	\$ 566,137	\$ 563,157

See Notes to Unaudited Consolidated Financial Statements

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AMERICAN RIVER BANKSHARES
CONSOLIDATED STATEMENT OF INCOME
(Unaudited)

(dollars in thousands, except per share data)
For the periods ended September 30,

	Three months		Nine months	
	2009	2008	2009	2008
Interest income:				
Interest and fees on loans	\$ 6,302	\$ 7,283	\$ 19,384	\$ 21,472
Interest on Federal funds sold	—	1	—	9
Interest on deposits in banks	6	52	59	176
Interest and dividends on investment securities:				
Taxable	635	984	2,046	2,946
Exempt from Federal income taxes	220	280	741	813
Dividends	—	4	5	18
Total interest income	7,163	8,604	22,235	25,434
Interest expense:				
Interest on deposits	997	1,415	3,076	4,622
Interest on borrowings	238	447	874	1,333
Total interest expense	1,235	1,862	3,950	5,955
Net interest income	5,928	6,742	18,285	19,479
Provision for loan and lease losses	1,001	381	6,030	908
Net interest income after provision for loan and lease losses	4,927	6,361	12,255	18,571