

Citizens Community Bancorp Inc.
Form 10-Q
February 12, 2010

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 December 31, 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 001-33003

CITIZENS COMMUNITY BANCORP, INC.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation or organization)

20-5120010
(IRS Employer Identification Number)

2174 EastRidge Center, Eau Claire, WI 54701
(Address of principal executive offices)

715-836-9994
(Registrant's telephone number, including area code)

(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 Securities Exchange Act of 1934 during the past 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 small reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

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Large accelerated filer Accelerated filer Non-Accelerated filer Smaller reporting
company
(do not check if a 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 registrant's classes of common stock, as of the latest
practicable date:

At February 12, 2010 there were 5,113,278 shares of the registrant's common stock, par value \$0.01 per share,
outstanding.

CITIZENS COMMUNITY BANCORP, INC.

FORM 10-Q

DECEMBER 31, 2009

INDEX

Part I – FINANCIAL INFORMATION

	Page Number	
Item 1.	Financial Statements (Unaudited)	
	Consolidated Balance Sheets as of December 31, 2009 and September 30, 2009	3
	Consolidated Statements of Income For the Three Months ended December 31, 2009 and 2008	4
	Consolidated Statements of Changes in Stockholders’ Equity For the Three Months ended December 31, 2009 and 2008	5
	Consolidated Statements of Cash Flows For the Three Months ended December 31, 2009 and 2008	6
	Notes to Condensed Consolidated Financial Statements	7
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	14
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	27
Item 4T.	Controls and Procedures	29

Part II – OTHER INFORMATION

		30
Item 1.	Legal Proceedings	
Item 1A.	Risk Factors	30
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	30
Item 3.	Defaults Upon Senior Securities	30
Item 4.	Submission of Matters to a Vote of Security Holders	31
Item 5.	Other Information	31
Item 6.	Exhibits	31

SIGNATURES

32

2

Part I – FINANCIAL INFORMATION
Item 1. Financial Statements (Unaudited)

CITIZENS COMMUNITY BANCORP, INC.
Consolidated Balance Sheets

December 31, 2009, unaudited, September 30, 2009, derived from audited financial statements
(in thousands)

Assets	December 31, 2009	September 30, 2009
Cash and cash equivalents	\$ 32,774	\$ 43,191
Other interest-bearing deposits	1,245	2,458
Securities available-for-sale (at fair value)	50,800	56,215
Federal Home Loan Bank stock	6,040	6,040
Loans receivable	447,454	442,470
Allowance for loan losses	(2,287)	(1,925)
Loans receivable – net	445,167	440,545
Office properties and equipment – net	7,835	8,029
Accrued interest receivable	2,123	2,179
Intangible assets	1,065	1,148
Goodwill	5,593	5,593
Other assets	14,006	10,008
TOTAL ASSETS	\$ 566,648	\$ 575,406

Liabilities and Stockholders' Equity	December 31, 2009	September 30, 2009
Liabilities:		
Deposits	\$ 405,950	\$ 409,311
Federal Home Loan Bank advances	101,700	106,805
Other liabilities	3,790	3,925
Total liabilities	511,440	520,041
Stockholders' equity:		
Common stock - 5,113,278 and 5,471,780 shares issued and outstanding respectively	51	55
Additional paid-in capital	53,820	56,877
Retained earnings	8,396	8,221
Unearned ESOP shares	0	(3,070)
Unearned deferred compensation	(10)	(23)
Accumulated other comprehensive loss	(7,049)	(6,695)
Total stockholders' equity	55,208	55,365
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 566,648	\$ 575,406

See accompanying notes to condensed consolidated financial statements.

CITIZENS COMMUNITY BANCORP, INC.
 Consolidated Statements of Operations - Unaudited
 For the Three Months Ended December 31, 2009 and 2008
 (in thousands, except per share data)

	Three Months Ended	
	December 31, 2009	December 31, 2008
Interest and Dividend Income:		
Interest and fees on loans	\$ 7,348	\$ 6,368
Other interest and dividend income	824	1,023
Total interest and dividend income	8,172	7,391
Interest expense:		
Interest on deposits	2,272	2,573
Borrowings	921	1,238
Total interest expense	3,193	3,811
Net interest income	4,979	3,580
Provision for loan losses	760	267
Net interest income after provision for loan losses	4,219	3,313
Noninterest Income:		
Total other-than-temporary impairment losses	(606)	--
Portion of loss recognized in other comprehensive loss (before tax)	22	--
Net impairment losses recognized in earnings	(584)	--
Service charges on deposit accounts	389	338