

FS Bancorp, Inc.
Form 10-Q
August 08, 2014
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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 June 30, 2014 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: 333-177125

FS BANCORP, INC.

(Exact name of registrant as specified in its charter)

Washington

(State or other jurisdiction of incorporation or organization)

45-4585178

(IRS Employer Identification No.)

6920 220th Street SW, Mountlake Terrace, Washington 98043

(Address of principal executive offices; Zip Code)

(425) 771-5299

(Registrant's telephone number, including area code)

None

(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

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

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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

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: As of August 8, 2014, there were 3,235,625 outstanding shares of the registrant's common stock.

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As used in this report, the terms "we," "our," and "us," and "Company" refer to FS Bancorp, Inc. and its consolidated subsidiary, unless the context indicates otherwise. When we refer to "Bank" in this report, we are referring to 1st Security Bank of Washington, the wholly owned subsidiary of FS Bancorp, Inc.

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Item 1. Financial Statements
 FS BANCORP, INC. AND SUBSIDIARY
 CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except share data) (Unaudited)

	June 30, 2014	December 31, 2013
ASSETS		
Cash and due from banks	\$2,049	\$1,425
Interest-bearing deposits at other financial institutions	7,106	39,660
Securities available-for-sale, at fair value	58,363	56,239
Federal Home Loan Bank stock, at cost	1,670	1,702
Loans held for sale, at fair value	15,975	11,185
Loans receivable, net	325,495	281,081
Accrued interest receivable	1,366	1,261
Premises and equipment, net	13,763	13,818
Other real estate owned ("OREO")	36	2,075
Deferred tax asset	—	816
Bank owned life insurance ("BOLI")	6,460	6,369
Other assets	3,738	3,556
TOTAL ASSETS	\$436,021	\$419,187
LIABILITIES		
Deposits		
Noninterest-bearing accounts	\$47,685	\$45,783
Interest-bearing accounts	303,959	291,093
Total deposits	351,644	336,876
Borrowings	17,552	16,664
Other liabilities	4,041	3,334
Total liabilities	373,237	356,874
COMMITMENTS AND CONTINGENCIES (NOTE 9)		
STOCKHOLDERS' EQUITY		
Preferred stock, \$.01 par value; 5,000,000 shares authorized; None issued or outstanding	—	—
Common stock, \$.01 par value; 45,000,000 shares authorized; 3,235,625 and 3,240,125 shares issued and outstanding at June 30, 2014 and December 31, 2013, respectively	32	32
Additional paid-in capital	28,963	30,097
Retained earnings	35,808	35,215
Accumulated other comprehensive loss	(18) (898
Unearned shares - Employee Stock Ownership Plan ("ESOP")) (2,001) (2,133
Total stockholders' equity	62,784	62,313
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$436,021	\$419,187

See accompanying notes to these consolidated financial statements.



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CONSOLIDATED STATEMENTS OF INCOME

(Dollars in thousands, except earnings per share data) (Unaudited)

	Three Months Ended		Six Months Ended June	
	June 30, 2014	2013	30, 2014	2013
INTEREST INCOME				
Loans receivable	\$5,493	\$5,233	\$10,674	\$10,171
Interest and dividends on investment securities, cash and cash equivalents, and interest-bearing deposits at other financial institutions	356	203	686	440
Total interest and dividend income	5,849	5,436	11,360	10,611
INTEREST EXPENSE				
Deposits	594	464	1,144	936
Borrowings	63	48	121	87
Total interest expense	657	512	1,265	1,023
NET INTEREST INCOME	5,192	4,924	10,095	9,588
PROVISION FOR LOAN				