

COMMUNITY TRUST BANCORP INC /KY/
Form 10-Q
August 09, 2012

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 June 30, 2012

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 0-11129

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

Kentucky
(State or other jurisdiction of incorporation or organization)

61-0979818
IRS Employer Identification No.

346 North Mayo Trail
Pikeville, Kentucky
(address of principal executive offices)

41501
(Zip Code)

(606) 432-1414
(Registrant's telephone number)

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 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 "accelerated filer, large accelerated filer, and smaller reporting

company” in Rule 12b-2 of the Exchange Act.

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

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practical date.

Common stock – 15,580,382 shares outstanding at July 31, 2012

CAUTIONARY STATEMENT
REGARDING FORWARD LOOKING STATEMENTS

Certain of the statements contained herein that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act. CTBI's actual results may differ materially from those included in the forward-looking statements. Forward-looking statements are typically identified by words or phrases such as "believe," "expect," "anticipate," "intend," "estimate," "may increase," "may fluctuate," and similar expressions or full conditional verbs such as "will," "should," "would," and "could." These forward-looking statements involve risks and uncertainties including, but not limited to, economic conditions, portfolio growth, the credit performance of the portfolios, including bankruptcies, and seasonal factors; changes in general economic conditions including the performance of financial markets, prevailing inflation and interest rates, realized gains from sales of investments, gains from asset sales, and losses on commercial lending activities; results of various investment activities; the effects of competitors' pricing policies, changes in laws and regulations, competition, and demographic changes on target market populations' savings and financial planning needs; industry changes in information technology systems on which we are highly dependent; failure of acquisitions to produce revenue enhancements or cost savings at levels or within the time frames originally anticipated or unforeseen integration difficulties; the adoption by CTBI of a Federal Financial Institutions Examination Council (FFIEC) policy that provides guidance on the reporting of delinquent consumer loans and the timing of associated credit charge-offs for financial institution subsidiaries; and the resolution of legal proceedings and related matters. In addition, the banking industry in general is subject to various monetary and fiscal policies and regulations, which include those determined by the Federal Reserve Board, the Federal Deposit Insurance Corporation, and state regulators, whose policies and regulations could affect CTBI's results. These statements are representative only on the date hereof, and CTBI undertakes no obligation to update any forward-looking statements made.

PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

The accompanying information has not been audited by independent registered public accountants; however, in the opinion of management such information reflects all adjustments necessary for a fair presentation of the results for the interim period. All such adjustments are of a normal and recurring nature.

The accompanying condensed consolidated financial statements are presented in accordance with the requirements of Form 10-Q and consequently do not include all of the disclosures normally required by accounting principles generally accepted in the United States of America or those normally made in the Registrant's annual report on Form 10-K. Accordingly, the reader of the Form 10-Q should refer to the Registrant's Form 10-K for the year ended December 31, 2011 for further information in this regard.

Community Trust Bancorp, Inc.
Condensed Consolidated Balance Sheets

(dollars in thousands)	(unaudited)	
	June 30 2012	December 31 2011
Assets:		
Cash and due from banks	\$71,010	\$ 69,723
Interest bearing deposits	107,963	166,057
Federal funds sold	9,475	2,701
Cash and cash equivalents	188,448	238,481
Certificates of deposit in other banks	11,000	11,875
Securities available-for-sale at fair value (amortized cost of \$610,226 and \$511,731, respectively)	629,242	527,398
Securities held-to-maturity at amortized cost (fair value of \$1,662 and \$1,661, respectively)	1,662	1,662
Loans held for sale	1,040	536
Loans	2,547,436	2,556,548
Allowance for loan losses	(33,134)	(33,171)
Net loans	2,514,302	2,523,377
Premises and equipment, net	54,855	54,297
Federal Home Loan Bank stock	25,673	25,673
Federal Reserve Bank stock	4,884	4,883
Goodwill	65,490	65,490
Core deposit intangible (net of accumulated amortization of \$7,606 and \$7,499, respectively)	1,010	1,117
Bank owned life insurance	44,171	43,483
Mortgage servicing rights	2,503	2,282
Other real estate owned	56,435	56,965
Other assets	35,012	33,660
Total assets	\$3,635,727	\$ 3,591,179
Liabilities and shareholders' equity:		
Deposits		
Noninterest bearing	\$611,080	\$ 584,735
Interest bearing	2,329,635	2,293,624
Total deposits	2,940,715	2,878,359
Repurchase agreements	201,850	217,177
Federal funds purchased and other short-term borrowings	7,987	13,104
Advances from Federal Home Loan Bank	1,517	21,609
Long-term debt	61,341	61,341
Other liabilities	34,984	32,723
Total liabilities	3,248,394	3,224,313
Shareholders' equity:		

Edgar Filing: COMMUNITY TRUST BANCORP INC /KY/ - Form 10-Q

Preferred stock, 300,000 shares authorized and unissued	-	-
Common stock, \$5 par value, shares authorized 25,000,000; shares outstanding 2012 – 15,568,808; 2011 – 15,429,992	77,845	77,151
Capital surplus	159,176	156,101
Retained earnings	137,952	123,431
Accumulated other comprehensive income, net of tax	12,360	10,183
Total shareholders' equity	387,333	366,866
Total liabilities and shareholders' equity	\$3,635,727	\$ 3,591,179

See notes to condensed consolidated financial statements.

Community Trust Bancorp, Inc.
Condensed Consolidated Statements of Income and Other Comprehensive Income
(unaudited)

(in thousands except per share data)	Three Months Ended June 30		Six Months Ended June 30	
	2012	2011	2012	2011
Interest income:				
Interest and fees on loans, including loans held for sale	\$34,278	\$36,182	\$69,330	\$72,868
Interest and dividends on securities				
Taxable	3,083	2,751	5,854	5,033
Tax exempt	513	412	990	808
Interest and dividends on Federal Reserve Bank and Federal Home Loan Bank stock	345	357	709	713
Other, including interest on federal funds sold	136	139	298	279
Total interest income	38,355			