

ROMA FINANCIAL CORP
Form 10-Q
August 09, 2013

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, 2013

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 000-52000

ROMA FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

UNITED STATES
(State or other jurisdiction of
Incorporation or organization)

51-0533946
(I.R.S. Employer
Identification Number)

2300 Route 33, Robbinsville, New Jersey
(Address of principal executive offices)

08691
(Zip Code)

Registrant's telephone
number, including area
code:

(609) 223-8300

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 twelve months (or for such shorter period that the registrant was required to submit and post such files).

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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 (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

The number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date, August 08, 2013:

\$0.10 par value common stock - 30,166,769 shares outstanding

ROMA FINANCIAL CORPORATION AND SUBSIDIARIES

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ROMA FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(Unaudited)

| | June 30, 2013 | December 31, 2012 |
|---|------------------|----------------------|
| (In thousands, except per share data) | | |
| Assets | | |
| Cash and amounts due from depository institutions | \$ 21,960 | \$ 18,523 |
| Interest-bearing deposits in other banks | 132,790 | 93,073 |
| Money market funds | 1,012 | 32,855 |
| Cash and Cash Equivalents | 155,762 | 144,451 |
| Investment securities available for sale (“AFS”) at fair value | 26,170 | 28,921 |
| Investment securities held to maturity (“HTM”) at amortized cost (fair value of \$95,632 and \$129,488, respectively) | 96,920 | 127,916 |
| Mortgage-backed securities held to maturity at amortized cost (fair value of \$307,126 and \$363,918, respectively) | 299,426 | 343,318 |
| Loans receivable, net of allowance for loan losses of \$8,916 and \$8,669, respectively | 1,024,177 | 1,037,404 |
| Real estate and other repossessed assets owned | 6,062 | 8,340 |
| Real estate held for sale | 138 | 1,627 |
| Real estate owned via equity investment | 3,731 | 3,783 |
| Premises and equipment, net | 47,566 | 46,982 |
| Federal Home Loan Bank of New York and ACBB stock | 9,159 | 9,002 |
| Accrued interest receivable | 4,801 | 5,474 |
| Bank owned life insurance | 35,134 | 34,587 |
| Goodwill | 1,826 | 1,826 |
| Deferred tax asset | 13,545 | 14,229 |
| Other assets | 7,243 | 6,280 |
| Total Assets | \$ 1,731,660 | \$ 1,814,140 |
| Liabilities and Stockholders’ Equity | | |
| Liabilities | | |
| Deposits: | | |
| Non-interest bearing | \$ 78,905 | \$ 71,287 |
| Interest bearing | 1,308,948 | 1,413,282 |
| Total deposits | 1,407,853 | 1,484,569 |
| Federal Home Loan Bank of New York advances | 47,323 | 52,385 |
| Securities sold under agreements to repurchase | 40,000 | 40,000 |
| Advance payments by borrowers for taxes and insurance | 3,784 | 3,433 |
| Accrued interest payable and other liabilities | 15,503 | 18,144 |
| Total Liabilities | 1,514,463 | 1,598,531 |
| Stockholders’ Equity | | |

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Common stock, \$0.10 par value, 45,000,000 shares authorized,
32,731,875 shares issued;

| | | | |
|--|--------------|---|--------------|
| 30,166,769 and 30,116,769 shares outstanding at June 30, 2013 and December 31, 2012, respectively | 3,274 | | 3,274 |
| Paid-in capital | 101,240 | | 101,002 |
| Retained earnings | 157,640 | | 156,618 |
| Unearned shares held by Employee Stock Ownership Plan | (4,329 |) | (4,599 |
| Treasury stock, 2,565,106 and 2,615,106 shares, respectively | (36,555 |) | (37,098 |
| Accumulated other comprehensive loss | (6,094 |) | (5,598 |
| Total Roma Financial Corporation stockholders' equity | 215,176 | | 213,599 |
| Noncontrolling interest | 2,021 | | 2,010 |
| Total Stockholders' Equity | 217,197 | | 215,609 |
| Total Liabilities and Stockholders' Equity | \$ 1,731,660 | | \$ 1,814,140 |

See notes to consolidated financial statements.

ROMA FINANCIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--|---------------|---|---------------|
| | 2013 | 2012 | 2013 | 2012 |
| | (In thousands, except per share data) | | (In thousands, except per share ata) | |
| Interest Income | | | | |
| Loans, including fees | \$11,612 | \$11,854 | \$23,597 | \$23,880 |
| Mortgage-backed securities held to maturity | 2,618 | 3,862 | 5,400 | 7,916 |
| Investment securities held to maturity | 419 | 954 | 933 | 2,204 |
| Securities available for sale | 88 | 9 | 209 | 235 |
| Other interest-earning assets | 140 | 136 | 298 | 250 |
| Total Interest Income | 14,877 | 16,815 | 30,437 | 34,485 |
| Interest Expense | | | | |
| Deposits | 2,221 | 3,233 | 4,626 | 6,896 |
| Borrowings | 652 | 947 | 1,322 | 1,633 |
| Total Interest Expense | 2,873 | 4,180 | 5,948 | 8,529 |
| Net Interest Income | 12,004 | 12,635 | 24,489 | 25,956 |
| Provision for loan losses | 344 | 1,389 | 202 | 2,652 |
| Net Interest Income after Provision for Loan Losses | 11,660 | 11,246 | 24,287 | 23,304 |
| Non-Interest Income | | | | |
| Commissions on sales of title policies | 251 | 275 | 492 | 516 |
| Fees and service charges on deposits and loans | 315 | 463 | 574 | 859 |
| Income from bank owned life insurance | 346 | 357 | 687 | 709 |
| Net gain from sale of mortgage loans originated for sale | 228 | 485 | 484 | 798 |
| Net gain from sale of available for sale securities | - | 13 | 1 | 13 |
| Realized gain (loss) on real estate held for sale | - | - | 581 | (3) |
| Realized (loss) on real estate owned | (96) | (4) | (508) | (4) |
| Other | 379 | 489 | 773 | 909 |
| Total Non-Interest Income | 1,423 | 2,078 | 3,084 | 3,797 |
| Non-Interest Expense | | | | |
| Salaries and employee benefits | 6,139 | 6,375 | 12,710 | 12,740 |
| Net occupancy expense of premises | 1,102 | 1,147 | 2,230 | 2,262 |
| Equipment | 891 | 884 | 1,834 | 1,786 |
| Data processing fees | 611 | 585 | 1,102 | 1,122 |
| Federal Deposit Insurance Premium | 553 | 538 | 1,269 | 958 |
| Commercial and residential loan expense | 707 | 575 | 926 | 1,460 |
| Merger expense | 672 | - | 953 | - |
| Loss on returned items | 1,802 | - | 1,802 | - |
| Other | 1,326 | 1,970 | 3,012 | 3,426 |

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| | | | | |
|-----------------------------------|--------|--------|--------|--------|
| Total Non-Interest Expense | 13,803 | 12,074 | 25,838 | 23,754 |
| (Loss) Income Before Income Taxes | (720) | 1,250 | 1,533 | 3,347 |
| Income Tax (BENEFIT) EXPENSE | (393) | 334 | 470 | 961 |