

BCB BANCORP INC
Form 10-Q
November 12, 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: 0-50275

BCB Bancorp, Inc.

(Exact name of registrant as specified in its charter)

New Jersey

(State or other jurisdiction of incorporation or organization)

26-0065262

(IRS Employer I.D. No.)

104-110 Avenue C Bayonne, New Jersey
(Address of principal executive offices)

07002
(Zip Code)

(201) 823-0700

(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 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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and larger accelerated filer" in Rule 12b-2 of the Exchange Act.

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

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, 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

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 November 12, 2009, BCB Bancorp, Inc., had 4,659,475 shares of common stock, no par value, outstanding.

BCB BANCORP INC., AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION
ITEM I. FINANCIAL STATEMENTS

BCB BANCORP INC. AND SUBSIDIARIES
Consolidated Statements of Financial Condition at
September 30, 2009 and December 31, 2008
(Unaudited)
(in thousands except for share data)

	At September 30, 2009	At December 31, 2008
ASSETS		
Cash and amounts due from depository institutions	\$ 3,406	\$ 3,495
Interest-earning deposits	29,585	3,266
Total cash and cash equivalents	32,991	6,761
Securities available for sale	1,273	888
Securities held to maturity, fair value \$153,586 and \$143,245 respectively	151,527	141,280
Loans held for sale	3,350	1,422
Loans receivable, net of allowance for loan losses of \$6,047 and \$5,304 respectively	410,621	406,826
Premises and equipment	5,408	5,627
Federal Home Loan Bank of New York stock	5,714	5,736
Interest receivable, net	4,332	3,884
Other real estate owned	1,335	1,435
Deferred income taxes	3,410	3,113
Other assets	2,272	1,652
Total assets	\$ 622,233	\$ 578,624
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Non-interest bearing deposits	\$ 36,034	\$ 30,561
Interest bearing deposits	418,389	379,942
Total deposits	454,423	410,503
Short-term Borrowings	-	2,000
Long-term Debt	114,124	114,124
Other Liabilities	2,197	2,282
Total Liabilities	570,744	528,909
STOCKHOLDERS' EQUITY		
Common stock, stated value \$0.064; 10,000,000 shares authorized;	332	331

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5,195,664 and 5,183,731 shares respectively,
issued

Additional paid-in capital	46,926		46,864
Treasury stock, at cost, 536,189 and 533,680 shares, respectively	(8,705)	(8,680)
Retained Earnings	12,967		11,325
Accumulated other comprehensive loss	(31)	(125)
Total stockholders' equity	51,489		49,715
Total liabilities and stockholders' equity	\$	622,233	\$ 578,624

See accompanying notes to consolidated financial statements.

BCB BANCORP INC. AND
SUBSIDIARIES

Consolidated Statements of Income

For the three and nine months ended

September 30, 2009 and 2008

(Unaudited)

(in thousands except for per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Interest income:				
Loans	\$6,870	\$6,949	\$20,587	\$20,217
Securities	1,833	2,348	5,205	6,968
Other interest-earning assets	11	7	34	188
Total interest income	8,714	9,304	25,826	27,373
Interest expense:				
Deposits:				
Demand	237	247	640	789
Savings and club	288	337	864	1,036
Certificates of deposit	1,918	2,209	6,315	6,950
	2,443	2,793	7,819	8,775
Borrowed money				
	1,251	1,294	3,729	3,834
Total interest expense	3,694	4,087	11,548	12,609
Net interest income	5,020	5,217	14,278	14,764
Provision for loan losses	300	300	950	850
Net interest income after provision for loan losses	4,720	4,917	13,328	13,914
Non-interest income:				
Fees and service charges	166	165	440	470
Gain on sales of loans originated for sale	52	15	180	115
Gain on sale of real estate owned	-	-	5	-
Other than temporary write-down on securities	-	(2,756)	-	(2,756)
Other	9	7	25	23
Total non-interest income	227	(2,569)	650	(2,148)
Non-interest expense:				
Salaries and employee benefits	1,438	1,368	4,067	4,121
Occupancy expense of premises	291	281	837	806
Equipment	537	511	1,578	1,513
Advertising	77	59	196	181
Other	636	488	1,918	1,452

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Total non-interest expense	2,979	2,707	8,596	8,073
Income (Loss) before income tax provision	1,968	(359)	5,382	3,693
Income tax provision	757	890	2,066	2,362
Net Income (Loss)	\$1,211	\$(1,249)	\$3,316	\$1,331
Net Income (Loss) per common share basic and diluted				
basic	\$0.26	\$(0.27)	\$0.71	\$0.29
diluted	\$0.26	\$(0.27)	\$0.71	\$0.28
Weighted average number of common shares outstanding-				
basic	4,659	4,640	4,654	4,620
diluted	4,676	4,640	4,677	4,708

See accompanying notes to consolidated financial statements.

BCB BANCORP INC. AND SUBSIDIARIES
 Consolidated Statement of Changes in Stockholders'
 Equity

For the nine months ended September 30, 2009
 (Unaudited)
 (in thousands except for share and per share data)

	Common Stock	Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive (Loss)	Total
Balance, December 31, 2008	\$ 331	\$ 46,864	\$(8,680)	\$11,325	\$ (125)	\$49,715
Exercise of Stock Options (11,933 shares)	1	62	-	-	-	63
Treasury Stock Purchases (2,509 shares)	-	-	(25)	-	-	(25)
Cash dividends (\$0.36 per share) declared	-	-	-	(1,674)	-	(1,674)
Comprehensive Income:						
Net income for the nine months ended						
September 30, 2009	-	-	-	3,316	-	3,316
Unrealized gain on securities, available for sale, net of deferred income tax of \$63	-	-	-	-	94	94
Total Comprehensive income	-	-	-	-	-	3,410
Balance, September 30, 2009	\$ 332	\$ 46,926	\$(8,705)	\$12,967	\$ (31)	\$51,489

See accompanying notes to consolidated financial statements.

BCB BANCORP INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the nine months ended
September 30, 2009 and 2008
(Unaudited)
(in thousands)

	Nine Months Ended September 30,	
	2009	2008
Cash flows from operating activities :		
Net Income	\$3,316	\$1,331
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	270	306
Amortization and accretion, net	98	(529)
Provision for loan losses	950	850
Other than temporary write-down of security	-	2,756
Deferred income tax benefit	(360)	(316)
Loans originated for sale	(14,940)	(5,137)
Proceeds from sale of loans originated for sale	13,192	6,074
(Gain) on sale of loans originated for sale	(180)	(115)
(Gain) on sale of other real estate owned	(5)	-
(Increase) Decrease in interest receivable	(448)	179
(Increase) Decrease in other assets	(620)	(128)
(Decrease) Increase in accrued interest payable	(121)	(121)
Increase (Decrease) in other liabilities	36	535
Net cash provided by operating activities	1,188	5,685
Cash flows from investing activities:		
Redemption (Purchase) of FHLB stock	22	(739)
Proceeds from calls of securities held to maturity	101,305	68,870
Purchases of securities held to maturity	(119,844)	(60,606)
Proceeds from repayments on securities held to maturity	7,906	4,398
Purchases of securities available for sale	(227)	(2,000)
Proceeds from sale of real estate owned	228	287
Net (increase) in loans receivable	(4,528)	(37,062)
Increase in other real estate owned	(52)	(241)
Additions to premises and equipment	(52)	(59)
Net cash (used in) investing activities	(15,242)	(27,152)
Cash flows from financing activities:		
Net increase in deposits	43,920	4,661
Net change in short-term borrowings	(2,000)	14,500
Purchases of treasury stock	(25)	(1,009)
Cash dividend paid	(1,674)	(1,339)

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Exercise of stock options	63	622
Net cash provided by financing activities	40,284	17,435
Net increase in cash and cash equivalents	26,230	(4,032)
Cash and cash equivalents-begininng	6,761	11,780
Cash and cash equivalents-ending	\$32,991	\$7,748
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Income taxes	\$2,623	\$2,461
Interest	\$11,669	\$12,730
Transfer of loans to Real Estate Owned	71	1,194

See accompanying notes to consolidated financial statements.

BCB Bancorp Inc. and Subsidiaries
Notes to Unaudited Consolidated Financial Statements

Note 1 – Basis of Presentation

The accompanying unaudited consolidated financial statements include the accounts of BCB Bancorp, Inc. (the “Company”) and the Company’s wholly owned subsidiaries, BCB Community Bank (the “Bank”) and BCB Holding Company Investment Company. The Company’s business is conducted principally through the Bank. All significant intercompany accounts and transactions have been eliminated in consolidation.

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, therefore, do not necessarily include all information that would be included in audited financial statements. The information furnished reflects all adjustments that are, in the opinion of management, necessary for a fair presentation of consolidated financial condition and results of operations. All such adjustments are of a normal recurring nature. The results of operations for the three and nine months ended September 30, 2009 are not necessarily indicative of the results to be expected for the fiscal year ended December 31, 2009 or any other future interim period.

These unaudited consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and related notes for the year ended December 31, 2008, which are included in the Company’s Annual Report on Form 10-K as filed with the Securities and Exchange Commission.

Effective April 1, 2009, BCB Bancorp, Inc., adopted guidance issued by the Financial Accounting Standards Board (“FASB”) on subsequent events. The guidance establishes general standards for accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued. The guidance sets forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition in the financial statements, identifies the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that should be made about events or transactions that occur after the balance sheet date. In preparing these consolidated financial statements, BCB Bancorp, Inc., evaluated the events that occurred between September 30, 2009 and November 12, 2009, the date these consolidated financial statements were issued.

Note 2 – Earnings Per Share

Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding. The diluted net income (loss) per common share is computed by adjusting the weighted average number of shares of common stock outstanding to include the effects of outstanding stock options, if dilutive, using the treasury stock method.

Note 3 – Securities Available for Sale

	Cost	September 30, 2009 Gross Unrealized Gains (In Thousands)	September 30, 2009 Gross Unrealized Losses (In Thousands)	Fair Value
Equity securities	\$1,324	\$ -	\$ 51	\$ 1,273

The age of unrealized losses and fair value of related securities available for sale were as follows:

	Less than 12 Months		More than 12 Months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
(In Thousands)						
September 30, 2009						
Equity Securities	\$-	\$ -	\$949	\$ 51	\$949	\$ 51

Management does not believe that any of the unrealized losses at September 30, 2009, (which are related to 1 preferred stock issue) represent an other-than-temporary impairment as they are primarily related to market interest rates and not related to the underlying credit quality of the issuers of the securities. Additionally, the Company has the ability, and management has the intent, to hold such securities for the time necessary to recover cost and does not have the intent to sell the securities, and it is more likely than not that it will not have to sell the securities before recovery of their cost.

Note 4 - Securities Held to Maturity

	Amortized Cost	September 30, 2009 Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In Thousands)			
U.S. Government Agencies:				
Due after one through five years	\$3,315	\$ 288	\$ -	\$ 3,603
Due after ten years	111,556	176	204	111,528
	114,871	464	204	115,131
Mortgage-backed securities:				
Due within one year	\$565	\$ 4	\$ -	\$ 569
Due after one year through five years	50	1	-	