

GLEN BURNIE BANCORP
Form 10-Q
August 08, 2007

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

**x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly period ended June 30, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Commission file number 0-24047

GLEN BURNIE BANCORP

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

52-1782444
(I.R.S. Employer
Identification No.)

101 Crain Highway, S.E.
Glen Burnie, Maryland
(Address of principal executive offices)

21061
(Zip Code)

Registrant's telephone number, including area code: **(410) 766-3300**

Inapplicable

(Former name, former address and former fiscal year if changed from 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 if the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

At July 13, 2007, the number of shares outstanding of the registrant's common stock was 2,490,231.



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PART I - FINANCIAL INFORMATION
ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GLEN BURNIE BANCORP AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in Thousands)

ASSETS	June 30, 2007 (unaudited)	December 31, 2006 (audited)
Cash and due from banks	\$ 11,369	\$ 9,006
Interest-bearing deposits in other financial institutions	44	342
Federal funds sold	2,710	3,972
Cash and cash equivalents	14,123	13,320
Investment securities available for sale, at fair value	83,843	95,811
Investment securities held to maturity, at cost (fair value June 30: \$719; December 31: \$730)	684	683
Federal Home Loan Bank stock, at cost	1,044	928
Maryland Financial Bank stock, at cost	100	100
Common Stock in the Glen Burnie Statutory Trust I	155	155
Loans, less allowance for credit losses (June 30: \$1,760; December 31: \$1,839)	195,496	193,337
Premises and equipment, at cost, less accumulated depreciation	3,259	3,406
Other real estate owned	50	50
Cash value of life insurance	7,025	6,892
Other assets	3,709	3,064
Total assets	\$ 309,488	\$ 317,746
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Deposits	\$ 263,957	\$ 274,833
Short-term borrowings	3,769	545
Long-term borrowings	7,124	7,140
Junior subordinated debentures owed to unconsolidated subsidiary trust	5,155	5,155
Other liabilities	1,478	1,872
Total liabilities	281,483	289,545
Commitments and contingencies		
Stockholders' equity:		
Common stock, par value \$1, authorized 15,000,000 shares; issued and outstanding: June 30: 2,489,591 shares; December 31: 2,484,633 shares	2,490	2,485
Surplus	11,808	11,720
Retained earnings	15,012	14,312
Accumulated other comprehensive loss, net of tax benefits	(1,305)	(316)
Total stockholders' equity	28,005	28,201

Total liabilities and stockholders' equity	\$	309,488	\$	317,746
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See accompanying notes to condensed consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands, Except Per Share Amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Interest income on:				
Loans, including fees	\$ 3,251	\$ 2,873	\$ 6,422	\$ 5,809
U.S. Treasury and U.S. Government agency securities	691	882	1,393	1,544
State and municipal securities	388	430	776	772
Other	135	262	283	496
Total interest income	4,465	4,447	8,874	8,621
Interest expense on:				
Deposits	1,234	1,232	2,505	2,194
Short-term borrowings	31	4	35	6
Long-term borrowings	106	108	211	213
Junior subordinated debentures	136	136	273	273
Total interest expense	1,507	1,480	3,024	2,686
Net interest income	2,958	2,967	5,850	5,935
Provision for credit losses	20	-	50	-
Net interest income after provision for credit losses	2,938	2,967	5,800	5,935
Other income:				
Service charges on deposit accounts	206	214	399	411
Other fees and commissions	234	253	441	484
Other non-interest income	6	3	9	8
Income on life insurance	65	60	132	105
Gains on investment securities	4	-	5	-
Total other income	515	530	986	1,008
Other expenses:				
Salaries and employee benefits	1,569	1,653	3,168	3,298
Occupancy	217	210	449	417
Other expenses	794	790	1,581	1,636
Total other expenses	2,580	2,653	5,198	5,351
Income before income taxes	873	844	1,588	1,592
Income tax expense	182	131	291	253
Net income	\$ 691	\$ 713	\$ 1,297	\$ 1,339

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Basic and diluted earnings per share of common stock	\$	0.28	\$	0.29	\$	0.52	\$	0.54
Weighted average shares of common stock outstanding		2,487,639		2,470,931		2,486,278		2,469,184
Dividends declared per share of common stock	\$	0.12	\$	0.12	\$	0.24	\$	0.24

See accompanying notes to condensed consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(Dollars in Thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Net income	\$ 691	\$ 713	\$ 1,297	\$ 1,339
Other comprehensive (loss) income, net of tax				
Unrealized gains (losses) securities:				
Unrealized holding losses arising during the period	(1,130)	(1,030)	(980)	(1,704)
Reclassification adjustment for gains included in net income	(2)	-	(9)	-
Comprehensive (loss) income	\$ (441)	\$ (317)	\$ 308	\$ (365)

See accompanying notes to condensed consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARIES