

INSPERITY, INC.
Form 10-Q
May 01, 2015

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 March 31, 2015.

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 No. 1-13998

Insperty, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

76-0479645
(I.R.S. Employer Identification No.)

19001 Crescent Springs Drive
Kingwood, Texas
(Address of principal executive offices)

77339
(Zip Code)

(Registrant’s Telephone Number, Including Area Code): (281) 358-8986

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 “large accelerated filer,” “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

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

As of April 24, 2015, 25,504,362 shares of the registrant's common stock, par value \$0.01 per share, were outstanding.

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PART I

ITEM 1. FINANCIAL STATEMENTS

INSPERITY, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

ASSETS

	March 31, 2015 (Unaudited)	December 31, 2014
Current assets:		
Cash and cash equivalents	\$228,588	\$276,456
Restricted cash	45,152	44,040
Marketable securities	28,840	28,631
Accounts receivable, net:		
Trade	3,740	12,010
Unbilled	252,931	160,154
Other	3,107	2,952
Prepaid insurance	36,660	21,301
Assets held for sale	13,495	—
Other current assets	21,080	17,649
Deferred income taxes	—	6,316
Total current assets	633,593	569,509
Property and equipment:		
Land	5,214	5,214
Buildings and improvements	71,008	70,471
Computer hardware and software	89,367	89,204
Software development costs	41,987	41,314
Furniture, fixtures and other	38,641	38,617
Aircraft	—	35,866
	246,217	280,686
Accumulated depreciation and amortization	(187,102)	(196,341)
Total property and equipment, net	59,115	84,345
Other assets:		
Prepaid health insurance	9,000	9,000
Deposits – health insurance	3,700	3,700
Deposits – workers’ compensation	115,640	113,934
Goodwill and other intangible assets, net	14,232	14,457
Deferred income taxes	3,588	—
Other assets	1,753	1,725
Total other assets	147,913	142,816
Total assets	\$840,621	\$796,670

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INSPERITY, INC.
 CONSOLIDATED BALANCE SHEETS (Continued)
 (in thousands)

LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31, 2015 (Unaudited)	December 31, 2014
Current liabilities:		
Accounts payable	\$3,061	\$4,674
Payroll taxes and other payroll deductions payable	176,667	176,341
Accrued worksite employee payroll cost	223,564	192,396
Accrued health insurance costs	25,589	18,329
Accrued workers' compensation costs	47,225	45,592
Accrued corporate payroll and commissions	23,068	32,644
Other accrued liabilities	25,347	22,444
Deferred income taxes	6,944	—
Income taxes payable	280	4,031
Total current liabilities	531,745	496,451
Noncurrent liabilities:		
Accrued workers' compensation costs	95,775	92,048
Deferred income taxes	—	4,075
Total noncurrent liabilities	95,775	96,123
Commitments and contingencies		
Stockholders' equity:		
Common stock	308	308
Additional paid-in capital	140,963	137,769
Treasury stock, at cost	(151,599) (148,465
Accumulated other comprehensive income, net of tax)