

FIRST MID ILLINOIS BANCSHARES INC  
Form 10-Q  
May 07, 2013

UNITED STATES  
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 March 31, 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 0-13368

FIRST MID-ILLINOIS BANCSHARES, INC.  
(Exact name of Registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

37-1103704  
(I.R.S. employer identification no.)

1421 Charleston Avenue,  
Mattoon, Illinois  
(Address of principal executive offices)

61938  
(Zip code)

(217) 234-7454  
(Registrant's telephone number, including area code)

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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) 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, 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

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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 Act).  Yes  No

As of May 7, 2013, 5,950,522 common shares, \$4.00 par value, were outstanding.

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## PART I

## ITEM 1. FINANCIAL STATEMENTS

First Mid-Illinois Bancshares, Inc.

Condensed Consolidated Balance Sheets

(In thousands, except share data)

	(Unaudited)	
	March 31, 2013	December 31, 2012
Assets		
Cash and due from banks:		
Non-interest bearing	\$27,135	\$38,110
Interest bearing	19,570	24,103
Federal funds sold	20,499	20,499
Cash and cash equivalents	67,204	82,712
Certificates of deposit investments	5,424	6,665
Investment securities:		
Available-for-sale, at fair value	535,120	508,309
Loans held for sale	818	212
Loans	902,147	910,853
Less allowance for loan losses	(11,984)	(11,776)
Net loans	890,163	899,077
Interest receivable	5,904	6,775
Other real estate owned	1,168	1,187
Premises and equipment, net	29,268	29,670
Goodwill, net	25,753	25,753
Intangible assets, net	2,991	3,161
Other assets	13,900	14,511
Total assets	\$1,577,713	\$1,578,032
Liabilities and Stockholders' Equity		
Deposits:		
Non-interest bearing	\$251,233	\$263,838
Interest bearing	1,058,936	1,010,227
Total deposits	1,310,169	1,274,065
Securities sold under agreements to repurchase	76,372	113,484
Interest payable	308	341
FHLB borrowings	5,000	5,000
Junior subordinated debentures	20,620	20,620
Other liabilities	8,145	7,835
Total liabilities	1,420,614	1,421,345
Stockholders' Equity:		
Convertible preferred stock, no par value; authorized 1,000,000 shares; issued 10,427 shares in 2013 and 2012	52,035	52,035
Common stock, \$4 par value; authorized 18,000,000 shares; issued 7,686,477 shares in 2013 and 7,682,535 shares in 2012	30,813	30,730
Additional paid-in capital	32,227	31,685
Retained earnings	81,410	78,986
Deferred compensation	2,730	2,953
Accumulated other comprehensive income	3,233	4,544
	(45,349)	(44,246)

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Less treasury stock at cost, 1,754,182 shares in 2013 and  
1,711,646 shares in 2012

Total stockholders' equity	157,099	156,687
Total liabilities and stockholders' equity	\$1,577,713	\$1,578,032

See accompanying notes to unaudited condensed consolidated financial statements.

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First Mid-Illinois Bancshares, Inc. Condensed Consolidated Statements of Income (unaudited) (In thousands, except per share data)	Three months ended March 31,	
	2013	2012
Interest income:		
Interest and fees on loans	\$10,435	\$10,960
Interest on investment securities	2,741	2,952
Interest on certificates of deposit investments	8	18
Interest on federal funds sold	4	12
Interest on deposits with other financial institutions	14	6
Total interest income	13,202	13,948
Interest expense:		
Interest on deposits	796	1,427
Interest on securities sold under agreements to repurchase	15	45
Interest on FHLB borrowings	57	113
Interest on other borrowings	—	164
Interest on subordinated debentures	130	146
Total interest expense	998	1,895
Net interest income	12,204	12,053
Provision for loan losses	480	615
Net interest income after provision for loan losses	11,724	11,438
Other income:		
Trust revenues	893	860
Brokerage commissions	171	142
Insurance commissions	486	647
Service charges	1,140	1,101
Securities gains, net	353	384
Mortgage banking revenue, net	286	236
ATM / debit card revenue		