

WASHINGTON TRUST BANCORP INC
Form 10-Q
November 05, 2018
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, 2018 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: 001-32991

WASHINGTON TRUST BANCORP, INC.
(Exact name of registrant as specified in its charter)

RHODE ISLAND 05-0404671
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)
23 BROAD STREET
WESTERLY, RHODE ISLAND 02891
(Address of principal executive offices) (Zip Code)

(401) 348-1200
(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 every Interactive Data File required to be submitted 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 such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Mark one)

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company) Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 of common stock of the registrant outstanding as of October 31, 2018 was 17,294,570.

FORM 10-Q
 WASHINGTON TRUST BANCORP, INC. AND SUBSIDIARIES
 For the Quarter Ended September 30, 2018

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PART I. Financial Information

Item 1. Financial Statements

Washington Trust Bancorp, Inc. and Subsidiaries

Consolidated Balance Sheets (unaudited) (Dollars in thousands, except par value)

	September 30, 2018	December 31, 2017
Assets:		
Cash and due from banks	\$72,934	\$79,853
Short-term investments	2,917	3,070
Mortgage loans held for sale, at fair value	22,571	26,943
Securities:		
Available for sale, at fair value	812,647	780,954
Held to maturity, at amortized cost (fair value \$10,657 at September 30, 2018 and \$12,721 at December 31, 2017)	10,863	12,541
Total securities	823,510	793,495
Federal Home Loan Bank stock, at cost	44,525	40,517
Loans:		
Total loans	3,556,203	3,374,071
Less allowance for loan losses	26,509	26,488
Net loans	3,529,694	3,347,583
Premises and equipment, net	28,195	28,333
Investment in bank-owned life insurance	79,891	73,267
Goodwill	63,909	63,909
Identifiable intangible assets, net	8,400	9,140
Other assets	94,126	63,740
Total assets	\$4,770,672	\$4,529,850
Liabilities:		
Deposits:		
Noninterest-bearing deposits	\$611,829	\$578,410
Interest-bearing deposits	2,802,519	2,664,297
Total deposits	3,414,348	3,242,707
Federal Home Loan Bank advances	828,392	791,356
Junior subordinated debentures	22,681	22,681
Other liabilities	77,342	59,822
Total liabilities	4,342,763	4,116,566
Commitments and contingencies (Note 18)		
Shareholders' Equity:		
Common stock of \$.0625 par value; authorized 60,000,000 shares; issued and outstanding 17,290,443 shares at September 30, 2018 and 17,226,508 shares at December 31, 2017	1,081	1,077
Paid-in capital	119,220	117,961
Retained earnings	346,685	317,756
Accumulated other comprehensive loss	(39,077)	(23,510)
Total shareholders' equity	427,909	413,284
Total liabilities and shareholders' equity	\$4,770,672	\$4,529,850

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Washington Trust Bancorp, Inc. and Subsidiaries

Consolidated Statements of Income (unaudited) (Dollars and shares in thousands, except per share amounts)

	Three Months	Nine Months	
Periods ended	2017	2018	2017
September 30,			
Interest income:			
Interest and fees on loans	\$38,877	\$32,509	\$110,556
Taxable interest on securities	5,383	4,655	15,859
Nontaxable interest on securities	9	41	52
Dividends on Federal Home Loan Bank stock	614	467	1,700
Other interest income	261	197	723
Total interest and dividend income	45,164	37,869	128,890
Interest expense: Deposits	6,746	3,835	16,222
Federal Home Loan Bank advances	497	3,816	13,627