

TRI COUNTY FINANCIAL CORP /MD/  
Form 10-Q  
November 13, 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 0-18279

Tri-County Financial Corporation  
(Exact name of registrant as specified in its charter)

Maryland  
(State of other jurisdiction of  
incorporation or organization)

52-1652138  
(I.R.S. Employer  
Identification No.)

3035 Leonardtown Road, Waldorf,  
Maryland  
(Address of principal executive offices)

20601  
(Zip Code)

(301) 645-5601  
(Registrant's telephone number, including area code)

Not applicable  
(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 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

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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 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   
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 Exchange Act).  
Yes  No

As of November 12, 2009 the registrant had 2,976,467 shares of common stock outstanding.

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## TRI-COUNTY FINANCIAL CORPORATION

## FORM 10-Q

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PART I FINANCIAL STATEMENTS  
ITEM I. FINANCIAL STATEMENTS  
TRI-COUNTY FINANCIAL CORPORATION  
CONSOLIDATED BALANCE SHEETS (UNAUDITED) SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

September 30, 2009 December 31, 2008

Assets			
Cash and due from banks	\$	20,116,141	\$ 5,071,614
Federal Funds sold		7,610,000	989,754
Interest-bearing deposits with banks		946,009	8,413,164
Securities available for sale, at fair value		47,507,201	14,221,674
Securities held to maturity, at amortized cost		95,516,261	108,712,281
Federal Home Loan Bank and Federal Reserve Bank stock - at cost		6,935,500	6,453,000
Loans held for sale		772,877	-
Loans receivable - net of allowance for loan losses of \$6,791,908 and \$5,145,673, respectively		586,487,319	542,977,138
Premises and equipment, net		12,189,059	12,235,999
Foreclosed real estate		922,934	-
Accrued interest receivable		2,958,759	2,965,813
Investment in bank owned life insurance		10,823,864	10,526,286
Other assets		5,128,468	4,118,187
<b>Total Assets</b>	<b>\$</b>	<b>797,914,392</b>	<b>\$ 716,684,910</b>
Liabilities and Stockholders' Equity			
Liabilities			
Deposits			
Non-interest-bearing deposits	\$	57,793,984	\$ 50,642,273
Interest-bearing deposits		569,201,810	474,525,293
Total deposits		626,995,794	525,167,566
Short-term borrowings		193,749	1,522,367
Long-term debt		85,680,745	104,963,428
Guaranteed preferred beneficial interest in junior subordinated debentures		12,000,000	12,000,000
Accrued expenses and other liabilities		5,557,022	5,917,130
<b>Total Liabilities</b>		<b>730,427,310</b>	<b>649,570,491</b>
Stockholders' Equity			
Fixed Rate Cumulative Perpetual Preferred Stock, Series A - par value \$1,000; authorized 15,540; issued 15,540		15,540,000	15,540,000
Fixed Rate Cumulative Perpetual Preferred Stock, Series B - par value \$1,000; authorized 777; issued 777		777,000	777,000
Common stock - par value \$.01; authorized - 15,000,000 shares; issued 2,967,680 and 2,947,759 shares, respectively		29,677	29,478
Additional paid in capital		16,694,565	16,517,649
Retained earnings		34,698,229	34,280,719
Accumulated other comprehensive gain		52,094	229,848

Unearned ESOP shares	(304,483)	(260,275)
Total Stockholders' Equity	67,487,082	67,114,419
Total Liabilities and Stockholders' Equity	\$ 797,914,392	