

FIRST MID ILLINOIS BANCSHARES INC  
Form 10-Q  
May 08, 2012

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, 2012

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, 2012, 6,022,297 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

(Unaudited)

(In thousands, except share data)	March 31, 2012	December 31, 2011
<b>Assets</b>		
<b>Cash and due from banks:</b>		
Non-interest bearing	\$28,111	\$43,356
Interest bearing	14,512	8,749
Federal funds sold	80,995	20,997
Cash and cash equivalents	123,618	73,102
Certificates of deposit investments	12,044	13,231
<b>Investment securities:</b>		
Available-for-sale, at fair value	482,663	478,916
Held-to-maturity, at amortized cost (estimated fair value of \$51 at March 31, 2012 and December 31, 2011)	51	51
Loans held for sale	804	1,046
Loans	840,031	859,028
Less allowance for loan losses	(11,293 )	(11,120 )
Net loans	828,738	847,908
Interest receivable	6,038	7,052
Other real estate owned	3,293	4,606
Premises and equipment, net	30,471	30,717
Goodwill, net	25,753	25,753
Intangible assets, net	3,689	3,934
Other assets	17,261	14,640
<b>Total assets</b>	<b>\$1,534,423</b>	<b>\$1,500,956</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Deposits:</b>		
Non-interest bearing	\$219,688	\$198,962
Interest bearing	1,013,939	971,772
Total deposits	1,233,627	1,170,734
Securities sold under agreements to repurchase	109,043	132,380
Interest payable	474	510
FHLB borrowings	9,750	19,750
Other borrowings	8,250	8,250
Junior subordinated debentures	20,620	20,620
Other liabilities	9,093	7,745
<b>Total liabilities</b>	<b>1,390,857</b>	<b>1,359,989</b>
<b>Stockholders' Equity</b>		
Convertible preferred stock, no par value; authorized 1,000,000 shares; issued 8,777 shares in 2012 and 2011	43,785	43,785
Common stock, \$4 par value; authorized 18,000,000 shares; issued 7,593,052 shares in 2012 and 7,553,094 shares in 2011	30,372	30,212
Additional paid-in capital	29,935	29,368
Retained earnings	74,190	71,739

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Deferred compensation	2,880	2,904
Accumulated other comprehensive gain	3,176	3,148
Less treasury stock at cost, 1,575,463 shares in 2012 and 1,546,529 shares in 2011	(40,772 )	(40,189 )
Total stockholders' equity	143,566	140,967
Total liabilities and stockholders' equity	\$1,534,423	\$1,500,956

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,	
	2012	2011
<b>Interest income:</b>		
Interest and fees on loans	\$10,960	\$11,463
Interest on investment securities	2,952	2,444
Interest on certificates of deposit investments	18	21
Interest on federal funds sold	12	24
Interest on deposits with other financial institutions	6	77
<b>Total interest income</b>	<b>13,948</b>	<b>14,029</b>
<b>Interest expense:</b>		
Interest on deposits	1,427	1,819
Interest on securities sold under agreements to repurchase	45	33
Interest on FHLB borrowings	113	211
Interest on other borrowings	164	-
Interest on subordinated debentures	146	261
<b>Total interest expense</b>	<b>1,895</b>	<b>2,324</b>
<b>Net interest income</b>	<b>12,053</b>	<b>11,705</b>
Provision for loan losses	615	940
<b>Net interest income after provision for loan losses</b>	<b>11,438</b>	<b>10,765</b>
<b>Other income:</b>		
Trust revenues	860	781
Brokerage commissions	142	