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GLEN BURNIE BANCORP  
Form 8-K  
August 15, 2003

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): July 31, 2003

GLEN BURNIE BANCORP

(Exact name of registrant as specified in its charter)

|   |                          |                                      |
|---|--------------------------|--------------------------------------|
| Maryland  | 0-24047                  | 52-1782444                           |
| (State or Other Jurisdiction<br>of Incorporation) | (Commission File Number) | (IRS Employer<br>Identification No.) |

101 Crain Highway, S.E., Glen Burnie, Maryland 21061  
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (410) 766-3300

Inapplicable  
(Former Name or Former Address if Changed Since Last Report)

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INFORMATION TO BE INCLUDED IN THE REPORT

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits

The following exhibits are filed herewith:

Exhibit No.

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99.1 Press Release dated July 31, 2003

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Item 12. Results of Operation and Financial Condition.

Reference is made to the press release issued by the Registrant on July 31, 2003, the text of which is attached hereto as Exhibit 99.1.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GLEN BURNIE BANCORP  
(Registrant)

Date: August 14, 2003

By: /s/ F. William Kuethe, Jr.

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F. William Kuethe, Jr.  
President and Chief Executive Officer

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Exhibit 99.1

FOR IMMEDIATE RELEASE

CONTACT: Alison Tavik

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410-768-8857 \* adtavik@bogb.net

Glen Burnie Bancorp Releases 2Q Earnings  
Bancorp Reports \$733,000 for Second Quarter

Highlights:

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- o Net income up 24.8%
  - o Core earnings up 25.7%

GLEN BURNIE, MD. July 31, 2003 -- Glen Burnie Bancorp GLBZ, parent company of The Bank of Glen Burnie, today released results for the second quarter.

The company realized net income of \$733,000 or \$0.44 basic earnings per share in the quarter ended June 30, 2003. The company reported net income of \$587,000 or \$0.35 basic earnings per share in the quarter ended June 30 for the same three-month period in 2002. Year to date net income for the six months ended June 30, 2003 was \$1,389,000 or \$0.83 basic earnings per share compared to \$1,575,000 or \$0.94 basic earnings per share for the six months ended June 30, 2002 which included a one-time, after-tax gain of \$470,000 resulting from an amendment to the Bank's post retirement benefit program.

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"We are very pleased with operating results so far this year, particularly in light of a difficult economy," said President & CEO F. William Kuethe, Jr. "Looking at our core banking business of net interest, fee and investment income (without the 2002 one-time gain), net income for the six months ending June 30, 2003 was \$1,389,000, compared to \$1,105,000 in 2002. This represents a 25.7% growth in these core earnings," Kuethe added.

On June 16, 2003, the company announced a regular quarterly dividend of 12 cents (\$0.12) per share of common stock for the quarter ending June 30, 2003 that was paid on July 9, 2003 to shareholders of record at the close of business on June 26, 2003. It was Glen Burnie Bancorp's 43rd consecutive dividend.

Glen Burnie Bancorp, parent company to The Bank of Glen Burnie, ([www.thebankofglenburnie.com](http://www.thebankofglenburnie.com)) maintains assets totaling more than \$290 million. The Bank of Glen Burnie is a locally-owned community bank with seven branch offices serving Anne Arundel County.

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# # # #

Certain information contained in this news release, which does not relate to historical financial information, may be deemed to constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties, which could cause the company's actual results in the future to differ materially from its historical results and those presently anticipated or projected. For a more complete discussion of these and other risk factors, please see the company's reports filed with the Securities and Exchange Commission.

Glen Burnie Bancorp and Subsidiaries  
Condensed Consolidated Balance Sheet  
(dollars in thousands, except per share amounts)

|   | (unaudited)      |                  |
|---|------------------|------------------|
|   | June 30,<br>2003 | Dec. 31,<br>2002 |
|   | -----            | -----            |
| <b>Assets</b>   |                  |                  |
| Cash and due from banks   | \$12,349         | \$11,297         |
| Interest bearing deposits                                       | 67               | 41               |
| Federal funds sold  | 2,577            | 4,404            |
| Investment securities   | 106,376          | 91,860           |
| Common Stock in the Glen Burnie Statutory Trust I               | 155              | 155              |
| Loans, net of allowance   | 161,846          | 158,287          |
| Premises and equipment at cost, net of accumulated depreciation | 4,160            | 4,143            |
| Other real estate owned   | 175              | 413              |
| Other assets  | 9,105            | 8,806            |
|   |                  |                  |
| Total assets  | \$296,810        | \$279,406        |

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| Liabilities and Stockholders' Equity  |  |           |           |
|---|--|-----------|-----------|
| Liabilities:  |  |           |           |
| Deposits  |  | \$256,302 | \$241,420 |
| Short-term borrowings   |  | 1,813     | 837       |
| Long-term borrowings  |  | 7,239     | 7,251     |
| Guaranteed preferred beneficial interests in<br>Glen Burnie   |  |           |           |
| Bancorp junior subordinated debentures  |  | 5,155     | 5,155     |
| Other liabilities   |  | 2,784     | 2,953     |
| Total liabilities   |  | \$273,293 | \$257,616 |
| Stockholders' equity:   |  |           |           |
| Common stock, par value \$1, authorized<br>15,000,000 shares;<br>issued and outstanding June 30, 2003<br>1,682,773; |  |           |           |
| December 31, 2002 1,677,173 shares  |  | \$1,683   | \$1,677   |
| Surplus   |  | 10,736    | 10,638    |
| Retained earnings   |  | 8,933     | 7,947     |
| Accumulated other comprehensive income (loss),<br>net of tax  |  | 2,165     | 1,528     |
| Total stockholders' equity  |  | \$23,517  | \$21,790  |
| Total liabilities and stockholders'<br>equity   |  | \$296,810 | \$279,406 |

Glen Burnie Bancorp and Subsidiaries  
Condensed Consolidated Statements of Income  
(dollars in thousands, except per share amounts)

|   | Three Months Ended<br>June 30, |         | Six Months Ended<br>June 30, |         |
|---|--------------------------------|---------|------------------------------|---------|
|   | 2003                           | 2002    | 2003                         | 2002    |
| Interest income on  |                                |         |                              |         |
| Loans, including fees                                     | \$2,830                        | \$3,091 | \$5,649                      | \$6,206 |
| U.S. Treasury and U.S.<br>Government agency<br>securities | 526                            | 674     | 1,013                        | 1,279   |

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|   |       |       |       |       |
|---|-------|-------|-------|-------|
| State and municipal securities                        | 435   | 281   | 810   | 539   |
| Other   | 118   | 132   | 249   | 275   |
| -----   | ----- | ----- | ----- | ----- |
| Total interest income                                 | 3,909 | 4,178 | 7,721 | 8,299 |
| -----   | ----- | ----- | ----- | ----- |
| Interest expense on                                   |       |       |       |       |
| Deposits  | 864   | 1,039 | 1,763 | 2,163 |
| Junior subordinated debentures                        | 137   | 137   | 273   | 273   |
| Long-term borrowings                                  | 110   | 107   | 218   | 213   |
| Short-term borrowings                                 | 1     | 1     | 2     | 3     |
| -----   | ----- | ----- | ----- | ----- |
| Total interest expense                                | 1,112 | 1,284 | 2,256 | 2,652 |
| -----   | ----- | ----- | ----- | ----- |
| Net interest income                                   | 2,797 | 2,894 | 5,465 | 5,647 |
| -----   | ----- | ----- | ----- | ----- |
| Provision for credit losses                           | 0     | 0     | 0     | 0     |
| -----   | ----- | ----- | ----- | ----- |
| Net interest income after provision for credit losses | 2,797 | 2,894 | 5,465 | 5,647 |
| -----   | ----- | ----- | ----- | ----- |
| Other income  |       |       |       |       |
| Service charges on deposit accounts                   | 249   | 251   | 507   | 500   |
| Other fees and commissions                            | 236   | 148   | 444   | 286   |
| Other non-interest income                             | 3     | 1     | 5     | 768   |
| Gains on investment securities                        | 15    | 2     | 107   | 6     |
| -----   | ----- | ----- | ----- | ----- |
| Total other income                                    | 503   | 402   | 1,063 | 1,560 |
| -----   | ----- | ----- | ----- | ----- |
| Other expenses  |       |       |       |       |
| Salaries and employee benefits                        | 1,483 | 1,494 | 2,948 | 2,918 |
| Occupancy   | 164   | 146   | 376   | 292   |
| Other expenses  | 798   | 894   | 1,596 | 1,794 |
| -----   | ----- | ----- | ----- | ----- |
| Total other expenses                                  | 2,445 | 2,534 | 4,920 | 5,004 |
| -----   | ----- | ----- | ----- | ----- |
| Income before income                                  |       |       |       |       |

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|   |           |           |           |           |
|---|-----------|-----------|-----------|-----------|
| taxes   | 855       | 762       | 1,608     | 2,203     |
| Income tax expense<br>(benefit)                           | 122       | 175       | 219       | 628       |
| -----   | -----     | -----     | -----     | -----     |
| Net income  | \$733     | \$587     | \$1,389   | \$1,575   |
| =====   | =====     | =====     | =====     | =====     |
| Net income per share of<br>common stock                   | \$0.44    | \$0.35    | \$0.83    | \$0.94    |
| =====   | =====     | =====     | =====     | =====     |
| Weighted-average shares<br>of common stock<br>outstanding | 1,680,270 | 1,664,052 | 1,678,807 | 1,664,911 |
| =====   | =====     | =====     | =====     | =====     |