

CHICOPEE BANCORP, INC.
Form 10-Q
August 14, 2007
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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 June 30, 2007

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: 000-51996

CHICOPEE BANCORP, INC.

(Exact name of registrant as specified in its charter)

Massachusetts
(State or other jurisdiction of
incorporation or organization)

20-4840562
(I.R.S. Employer
Identification No.)

70 Center Street, Chicopee, Massachusetts

01013

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(Address of principal executive offices)

(413) 594-6692

(Zip Code)

(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 is an accelerated filer. (See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act).

Large accelerated filer Accelerated filer Non-accelerated filer

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 July 30, 2007, there were 7,439,368 shares of the Registrant's Common Stock outstanding.

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Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements (unaudited)****CHICOPEE BANCORP, INC. AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION****(Dollars In Thousands)**

	June 30, 2007 (Unaudited)	December 31, 2006
Assets		
Cash and due from banks	\$ 13,392	\$ 8,816
Short-term investments	3,057	1,132
Federal funds sold	8,395	1,580
Total cash and cash equivalents	24,844	11,528
Securities available-for-sale, at fair value	8,198	7,861
Securities held-to-maturity, at cost (fair value \$35,369 and \$37,099 at June 30, 2007 and December 31, 2006, respectively)	35,777	37,411
Federal Home Loan Bank stock, at cost	1,583	1,574
Loans, net of allowance for loan losses (\$3,079 at June 30, 2007 and \$2,908 at December 31, 2006)	376,269	368,968
Cash surrender value of life insurance	11,438	11,200
Premises and equipment, net	6,779	7,003
Accrued interest and dividend receivable	1,852	1,901
Deferred income tax asset	1,586	1,538
Other assets	760	1,061
Total assets	\$ 469,086	\$ 450,045
Liabilities and Stockholders' Equity		
Deposits		
Non-interest-bearing	\$ 30,816	\$ 29,088
Interest-bearing	297,918	282,483
Total deposits	328,734	311,571
Securities sold under agreements to repurchase	14,710	12,712
Advances from Federal Home Loan Bank	14,104	15,256
Mortgagors' escrow accounts	980	997
Accrued expenses and other liabilities	827	1,063
Total liabilities	359,355	341,599
Stockholders' equity		
Common stock (no par value, 20,000,000 shares authorized, 7,439,368 shares issued and outstanding at June 30, 2007 and December 31, 2006)	72,479	72,479
Additional paid-in-capital	225	144

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Unearned compensation	(5,505)	(5,654)
Retained earnings	41,961	40,817
Accumulated other comprehensive income	571	660
Total stockholders' equity	109,731	108,446
Total liabilities and stockholders' equity	\$ 469,086	\$ 450,045

See accompanying notes to unaudited consolidated financial statements.

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	Three Months Ended		Six Months Ended	
	June 30, 2007	2006	June 30, 2007	2006
Interest and dividend income:				
Loans, including fees	\$ 5,889	\$ 4,879	\$ 11,616	\$ 9,576
Interest and dividends on securities	515	385	975	745
Other interest-earning assets	219	152	407	243
Total interest and dividend income	6,623	5,416	12,998	10,564
Interest expense:				
Deposits	2,724	1,804	5,352	3,466
Securities sold under agreements to repurchase	77	48	149	110
Other borrowed funds	145	354	292	712
Total interest expense	2,946	2,206	5,793	4,288
Net interest income	3,677	3,210	7,205	6,276
Provision for loan losses	113	110	214	260
Net interest income, after provision for loan losses	3,564	3,100	6,991	6,016
Non-interest income:				
Service charges, fees and commissions	503	391	932	781
Loan sales and servicing, net of amortization		44	(2)	117
Net gain on sales of securities available-for-sale	293	11	588	18
Total non-interest income	796	446	1,518	916
Non-interest expenses:				
Salaries and employee benefits	1,975	1,628	3,794	3,228
Occupancy expenses	260	262	551	541
Furniture and equipment	237	223	466	441
Data processing	181	163	364	343
Stationery, supplies and postage	86	85	179	161
Other non-interest expense	723	628	1,398	1,171
Total non-interest expenses	3,462	2,989	6,752	5,885
Income before income taxes	898	557	1,757	1,047
Income tax expense	308	168	613	320

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Net income	\$	590	\$	389	\$	1,144	\$	727
Earnings per share:								
Basic	\$	0.09	NA	\$	0.17	NA		
Diluted	\$	0.09	NA	\$	0.17	NA		
Adjusted weighted average shares outstanding:								
Basic		6,881,194	NA		6,881,194	NA		
Diluted		6,881,194	NA		6,881,194	NA		
NA- Not Applicable								

See accompanying notes to unaudited consolidated financial statements.

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CHICOPEE BANCORP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS EQUITY

Six Months Ended June 30, 2007 and 2006

(Dollars In Thousands)

(Unaudited)

	Common Stock	Additional Paid-in Capital	Unearned Compensation	Retained Earnings	Accumulated Other Comprehensive Income	Total
Balance at December 31, 2006	\$ 72,479	\$ 144	\$ (5,654)	\$ 40,817	\$ 660	\$ 108,446
Comprehensive income:						
Net income				1,144		1,144
Change in net unrealized gain on securities available-for-sale, net of tax					(89)	(89)
Total comprehensive income						1,055
Change in unearned compensation		81	149			230
Balance at June 30, 2007	\$ 72,479	\$ 225	\$ (5,505)	\$ 41,961	\$ 571	\$ 109,731
Balance at December 31, 2005	\$	\$	\$	\$ 43,351	\$ 90	\$ 43,441
Comprehensive income:						
Net income				727		727
Change in net unrealized gain on securities available-for-sale, net of tax					24	24
Total comprehensive income						