

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

TRICO BANCSHARES /
Form 10-Q/A
November 23, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q/A
(Amendment No. 1)
Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarter Ended September 30, 2005

Commission file number 0-10661

TRICO BANCSHARES
(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction
incorporation or organization)

94-2792841

(I.R.S. Employer
Identification No.)

63 Constitution Drive, Chico, California 95973
(Address of principal executive offices) (Zip code)

530/898-0300
(Registrant's telephone number, including area code)

(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 X No
----- -----

Indicate by check mark whether the registrant is an accelerated filer (as
defined in Rule 12b-2 of the Exchange Act).

Yes X No
----- -----

Indicate by check mark whether the registrant is a shell company (as
defined in Rule 12b-2 of the Exchange Act).

Yes No X
----- -----

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes
of common stock, as of the latest practicable date.

Title of Class: Common stock, no par value

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Outstanding shares as of October 25, 2005: 15,717,035

-1-

EXPLANATORY NOTE

This Amendment No. 1 on Form 10-Q/A is being filed to amend Part I, Item 1, and Part II, Item 6, of the Registrant's report on Form 10-Q for the quarter ended September 30, 2005, filed on November 3, 2005. This Amendment No. 1 does not otherwise alter the disclosures set forth in the original Form 10-Q. This Amendment No. 1 is effective for all purposes as of the date of the filing of the original Form 10-Q and except as noted above, we have not undertaken herein to amend, supplement or update any information contained in the original Form 10-Q to give effect to subsequent events.

This Amendment No. 1 is being filed to correct two typographical errors in the Registrant's Consolidated Statements of Income and Comprehensive Income. In the original Form 10-Q the net interest income after provision for loan losses for the nine months ended September 30, 2005 and 2004 were reported as \$5,843,000 and \$9,812,000, respectively. The correct amounts as reported in this Amendment No. 1 are \$55,843,000 and \$49,812,000, respectively. This Amendment No. 1 has no effect on net income, total assets, total liabilities or total equity as previously reported.

-2-

Part I, Item 1 of the original Form 10-Q is hereby amended and restated in its entirety as follows:

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

TRICO BANCSHARES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data; unaudited)

	At September 30, 2005	2004	At Decem 20
Assets:			
Cash and due from banks	\$85,413	\$64,318	\$70,
Federal funds sold	218	-	
Cash and cash equivalents	85,631	64,318	70,
Securities available for sale	271,134	286,067	286,
Federal Home Loan Bank stock, at cost	7,516	6,719	6,
Loans, net of allowance for loan losses			

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

of \$15,796, \$15,167 and \$14,525	1,312,294	1,111,256	1,158,
Foreclosed assets, net of allowance for losses of \$180, \$180 and \$180	-	-	
Premises and equipment, net	21,223	20,118	19,
Cash value of life insurance	41,519	40,196	40,
Accrued interest receivable	7,080	6,177	6,
Goodwill	15,519	15,519	15,
Other intangible assets	4,373	5,070	5,
Other assets	20,567	19,106	18,
	-----	-----	-----
Total Assets	\$1,786,856	\$1,574,546	\$1,627,
	=====	=====	=====
Liabilities and Shareholders' Equity:			
Liabilities:			
Deposits:			
Noninterest-bearing demand	\$346,456	\$298,319	\$311,
Interest-bearing	1,091,843	993,822	1,037,
	-----	-----	-----
Total deposits	1,438,299	1,292,141	1,348,
Federal funds purchased	103,200	57,300	46,
Accrued interest payable	3,960	2,706	3,
Reserve for unfunded commitments	1,674	1,049	1,
Other liabilities	20,452	17,265	19,
Other borrowings	31,711	27,159	28,
Junior subordinated debt	41,238	41,238	41,
	-----	-----	-----
Total Liabilities	1,640,534	1,438,858	1,489,
	-----	-----	-----
Commitments and contingencies			
Shareholders' Equity:			
Common stock, no par value: 50,000,000 shares authorized; issued and outstanding:			
15,728,106 at September 30, 2005	71,412		
15,697,817 at September 30, 2004		70,375	
15,723,317 at December 31, 2004			70,
Retained earnings	77,448	64,158	67,
Accumulated other comprehensive (loss) income, net	(2,538)	1,155	(
	-----	-----	-----
Total Shareholders' Equity	146,322	135,688	138,
	-----	-----	-----
Total Liabilities and Shareholders' Equity	\$1,786,856	\$1,574,546	\$1,627,
	=====	=====	=====

See accompanying notes to unaudited condensed consolidated financial statements.

-3-

TRICO BANCSHARES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(In thousands, except per share data; unaudited)

Three months ended September 30, Nine months ended S
2005 2004 2005

Interest and dividend income:

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Loans, including fees	\$22,254	\$18,867	\$62,482	
Debt securities:				
Taxable	2,528	2,564	7,865	
Tax exempt	468	432	1,297	
Dividends	80	87	218	
Federal funds sold	4	1	18	
Total interest income	25,334	21,951	71,880	
Interest expense:				
Deposits	3,824	2,497	10,526	
Federal funds purchased	696	221	1,117	
Other borrowings	351	327	1,007	
Junior subordinated debt	648	449	1,779	
Total interest expense	5,519	3,494	14,429	
Net interest income	19,815	18,457	57,451	
Provision for loan losses	947	1,166	1,608	
Net interest income after provision for loan losses	18,868	17,291	55,843	
Noninterest income:				
Service charges and fees	4,795	4,436	13,362	
Gain on sale of loans	474	258	1,195	
Commissions on sale of non-deposit investment products	535	578	1,727	
Increase in cash value of life insurance	420	352	1,040	
Other	408	737	945	
Total noninterest income	6,632	6,361	18,269	
Noninterest expense:				
Salaries and related benefits	8,584	8,319	25,361	
Other	7,096	6,904	20,949	
Total noninterest expense	15,680	15,223	46,310	
Income before income taxes	9,820	8,429	27,802	
Provision for income taxes	3,859	3,226	10,865	
Net income	5,961	5,203	16,937	
Other comprehensive (loss) income: Change in unrealized (loss) gain on securities available for sale, net	(1,070)	3,139	(2,186)	
Comprehensive income	\$4,891	\$8,342	\$14,751	
Average shares outstanding	15,687,547	15,672,300	15,706,380	15,
Diluted average shares outstanding	16,330,035	16,254,005	16,328,489	16,
Per share data:				
Basic earnings	\$0.38	\$0.33	\$1.08	
Diluted earnings	\$0.37	\$0.32	\$1.04	
Dividends paid	\$0.11	\$0.11	\$0.33	

See accompanying notes to unaudited condensed consolidated financial statements.

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

TRICO BANCSHARES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In thousands, except per share data; unaudited)

	Shares of Common Stock	Common Stock	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
Balance at December 31, 2003	15,668,248	\$69,767	\$56,379	\$1,814	\$127,960
Comprehensive income:					
Net income			14,827		14,827
Change in net unrealized gain on Securities available for sale, net				(659)	(659)
Total comprehensive income					14,168
Stock options exercised	197,169	1,133			1,133
Tax benefit of stock options exercised		221			221
Repurchase of common stock	(167,600)	(746)	(2,047)		(2,793)
Dividends paid (\$0.32 per share)			(5,001)		(5,001)
Balance at September 30, 2004	15,697,817	\$70,375	\$64,158	\$1,155	\$135,688
Balance at December 31, 2004	15,723,317	\$70,699	\$67,785	(\$352)	\$138,132
Comprehensive income:					
Net income			16,937		16,937
Change in net unrealized gain on Securities available for sale, net				(2,186)	(2,186)
Total comprehensive income					14,751
Stock options exercised	133,289	949			949
Tax benefit of stock options exercised		342			342
Repurchase of common stock	(128,500)	(578)	(2,085)		(2,663)
Dividends paid (\$0.33 per share)			(5,189)		(5,189)
Balance at September 30, 2005	15,728,106	\$71,412	\$77,448	(\$2,538)	\$146,322

See accompanying notes to unaudited condensed consolidated financial statements.

TRICO BANCSHARES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands; unaudited)

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

For the nine months ended September
2005 2004

Operating activities:

Net income	\$16,937	\$14,827
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property and equipment, and amortization	2,818	2,431
Amortization of intangible assets	1,035	1,016
Provision for loan losses	1,608	3,084
Amortization of investment securities premium, net	973	1,448
Originations of loans for resale	(59,861)	(70,670)
Proceeds from sale of loans originated for resale	60,396	71,352
Gain on sale of loans	(1,195)	(1,316)
Amortization of mortgage servicing rights	490	562
Recovery of mortgage servicing rights valuation allowance	-	(600)
Gain on sale of other real estate owned	-	(566)
Loss (gain) on sale of fixed assets	95	(20)
Increase in cash value of life insurance	(1,040)	(1,216)
Change in:		
Interest receivable	(607)	(150)
Interest payable	679	68
Other assets and liabilities, net	234	(2,002)
Net cash provided by operating activities	22,562	18,248

Investing activities:

Proceeds from maturities of securities available-for-sale	45,147	62,476
Purchases of securities available-for-sale	(35,013)	(39,580)
Purchases of Federal Home Loan Bank stock	(735)	(1,935)
Loan originations and principal collections, net	(155,460)	(145,989)
Proceeds from sale of premises and equipment	24	541
Purchases of premises and equipment	(3,853)	(3,210)
Proceeds from sale of other real estate owned	-	1,490
Net cash used by investing activities	(149,890)	(126,207)

Financing activities:

Net increase in deposits	89,466	55,318
Net increase in Federal funds purchased	56,800	17,800
Issuance of junior subordinated debt	-	20,619
Payments of principal on long-term other borrowings	(38)	(32)
Net change in short-term other borrowings	3,597	4,304
Repurchase of common stock	(2,663)	(2,793)
Dividends paid	(5,189)	(5,001)
Exercise of stock options	949	1,133
Net cash provided by financing activities	142,922	91,348

Net change in cash and cash equivalents

15,594 (16,611)

Cash and cash equivalents and beginning of period

70,037 80,929

Cash and cash equivalents at end of period

\$85,631 \$64,318

Supplemental disclosure of noncash activities:

Unrealized loss on securities available for sale	(\$3,772)	(\$1,061)
Income tax benefit from stock option exercises	\$342	\$221
Supplemental disclosure of cash flow activity:		
Cash paid for interest expense	\$13,750	\$9,527
Cash paid for income taxes	\$11,030	\$11,030

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

See accompanying notes to unaudited condensed consolidated financial statements

-6-

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1: General Summary of Significant Accounting Policies

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission. The results of operations reflect interim adjustments, all of which are of a normal recurring nature and which, in the opinion of management, are necessary for a fair presentation of the results for the interim periods presented. The interim results for the three and nine month periods ended September 30, 2005 and 2004 are not necessarily indicative of the results expected for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes as well as other information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2004.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company, and its wholly-owned subsidiary, Tri Counties Bank (the "Bank"). All significant intercompany accounts and transactions have been eliminated in consolidation.

Nature of Operations

The Company operates 32 branch offices and 15 in-store branch offices in the California counties of Butte, Contra Costa, Del Norte, Fresno, Glenn, Kern, Lake, Lassen, Madera, Mendocino, Merced, Nevada, Placer, Sacramento, Shasta, Siskiyou, Stanislaus, Sutter, Tehama, Tulare, Yolo and Yuba. The Company's operating policy since its inception has emphasized retail banking. Most of the Company's customers are retail customers and small to medium sized businesses.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, the Company evaluates its estimates, including those related to the adequacy of the allowance for loan losses, investments, intangible assets, income taxes and contingencies. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The allowance for loan losses, goodwill and other intangible assets, income taxes, and the valuation of mortgage servicing rights, are the only accounting estimates that materially affect the Company's consolidated financial statements.

Significant Group Concentration of Credit Risk

The Company grants agribusiness, commercial, consumer, and residential loans to customers located throughout the northern San Joaquin Valley, the Sacramento

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Valley and northern mountain regions of California. The Company has a diversified loan portfolio within the business segments located in this geographical area.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents include cash on hand, amounts due from banks and federal funds sold.

Investment Securities

The Company classifies its debt and marketable equity securities into one of three categories: trading, available-for-sale or held-to-maturity. Trading securities are bought and held principally for the purpose of selling in the near term. Held-to-maturity securities are those securities which the Company has the ability and intent to hold until maturity. All other securities not included in trading or held-to-maturity are classified as available-for-sale. During the nine months ended September 30, 2005, and throughout 2004, the Company did not have any securities classified as either held-to-maturity or trading.

-7-

Available-for-sale securities are recorded at fair value. Unrealized gains and losses, net of the related tax effect, on available-for-sale securities are reported as a separate component of accumulated other comprehensive income (loss) in shareholders' equity until realized.

Premiums and discounts are amortized or accreted over the life of the related investment security as an adjustment to yield using the effective interest method. Dividend and interest income are recognized when earned. Realized gains and losses for securities are included in earnings and are derived using the specific identification method for determining the cost of securities sold. Unrealized losses due to fluctuations in fair value of securities held to maturity or available for sale are recognized through earnings when it is determined that an other than temporary decline in value has occurred.

Loans Held for Sale

Loans originated and intended for sale in the secondary market are carried at the lower of aggregate cost or fair value, as determined by aggregate outstanding commitments from investors of current investor yield requirements. Net unrealized losses are recognized through a valuation allowance by charges to income. At September 30, 2005 and 2004, and December 31, 2004, the Company had no loans held for sale.

Mortgage loans held for sale are generally sold with the mortgage servicing rights retained by the Company. The carrying value of mortgage loans sold is reduced by the cost allocated to the associated mortgage servicing rights. Gains or losses on sales of mortgage loans are recognized based on the difference between the selling price and the carrying value of the related mortgage loans sold.

Loans

Loans are reported at the principal amount outstanding, net of unearned income and the allowance for loan losses. Loan origination and commitment fees and certain direct loan origination costs are deferred, and the net amount is amortized as an adjustment of the related loan's yield over the estimated life of the loan. Loans on which the accrual of interest has been discontinued are designated as nonaccrual loans. Accrual of interest on loans is generally discontinued either when reasonable doubt exists as to the full, timely collection of interest or principal or when a loan becomes contractually past due by 90 days or more with respect to interest or principal. When loans are 90

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

days past due, but in Management's judgment are well secured and in the process of collection, they may be classified as accrual. When a loan is placed on nonaccrual status, all interest previously accrued but not collected is reversed. Income on such loans is then recognized only to the extent that cash is received and where the future collection of principal is probable. Interest accruals are resumed on such loans only when they are brought fully current with respect to interest and principal and when, in the judgment of Management, the loans are estimated to be fully collectible as to both principal and interest. All impaired loans are classified as nonaccrual loans.

Reserve for Unfunded Commitments

The reserve for unfunded commitments is established through a provision for losses - unfunded commitments charged to noninterest expense. The reserve for unfunded commitments is an amount that Management believes will be adequate to absorb probable losses inherent in existing commitments, including unused portions of revolving lines of credits and other loans, standby letters of credits, and unused deposit account overdraft privilege. The reserve for unfunded commitments is based on evaluations of the collectibility, and prior loss experience of unfunded commitments. The evaluations take into consideration such factors as changes in the nature and size of the loan portfolio, overall loan portfolio quality, loan concentrations, specific problem loans and related unfunded commitments, and current economic conditions that may affect the borrower's or depositor's ability to pay.

Allowance for Loan Losses

The allowance for loan losses is established through a provision for loan losses charged to expense. Loans and deposit related overdrafts are charged against the allowance for loan losses when Management believes that the collectibility of the principal is unlikely or, with respect to consumer installment loans, according to an established delinquency schedule. The allowance is an amount that Management believes will be adequate to absorb probable losses inherent in existing loans and leases, based on evaluations of the collectibility, impairment and prior loss experience of loans and leases. The evaluations take into consideration such factors as changes in the nature and size of the portfolio, overall portfolio quality, loan concentrations, specific problem loans, and current economic conditions that may affect the borrower's ability to pay. The Company defines a loan as impaired when it is probable the Company will be unable to collect all amounts due according to the contractual terms of the loan agreement. Impaired loans are measured based on the present value of expected future cash flows discounted at the loan's original effective interest rate. As a practical expedient, impairment may be measured based on the loan's observable market price or the fair value of the collateral if the loan is collateral dependent. When the measure of the impaired loan is less than the recorded investment in the loan, the impairment is recorded through a valuation allowance.

-8-

Credit risk is inherent in the business of lending. As a result, the Company maintains an allowance for loan losses to absorb losses inherent in the Company's loan portfolio. This is maintained through periodic charges to earnings. These charges are shown in the Consolidated Income Statements as provision for loan losses. All specifically identifiable and quantifiable losses are immediately charged off against the allowance. However, for a variety of reasons, not all losses are immediately known to the Company and, of those that are known, the full extent of the loss may not be quantifiable at that point in time. The balance of the Company's allowance for loan losses is meant to be an estimate of these unknown but probable losses inherent in the portfolio. For purposes of this discussion, "loans" shall include all loans and lease contracts that are part of the Company's portfolio.

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

The Company formally assesses the adequacy of the allowance on a quarterly basis. Determination of the adequacy is based on ongoing assessments of the probable risk in the outstanding loan portfolio, and to a lesser extent the Company's loan commitments. These assessments include the periodic re-grading of credits based on changes in their individual credit characteristics including delinquency, seasoning, recent financial performance of the borrower, economic factors, changes in the interest rate environment, growth of the portfolio as a whole or by segment, and other factors as warranted. Loans are initially graded when originated. They are re-graded as they are renewed, when there is a new loan to the same borrower, when identified facts demonstrate heightened risk of nonpayment, or if they become delinquent. Re-grading of larger problem loans occur at least quarterly. Confirmation of the quality of the grading process is obtained by independent credit reviews conducted by consultants specifically hired for this purpose and by various bank regulatory agencies.

The Company's method for assessing the appropriateness of the allowance for loan losses and the reserve for unfunded commitments includes specific allowances for identified problem loans and leases as determined by SFAS 114, formula allowance factors for pools of credits, and allowances for changing environmental factors (e.g., interest rates, growth, economic conditions, etc.). Allowance factors for loan pools are based on the previous 5 years historical loss experience by product type. Allowances for specific loans are based on SFAS 114 analysis of individual credits. Allowances for changing environmental factors are Management's best estimate of the probable impact these changes have had on the loan portfolio as a whole. This process is explained in detail in the notes to the Company's Consolidated Financial Statements in its Annual Report on Form 10-K for the year ended December 31, 2004.

Based on the current conditions of the loan portfolio, Management believes that the allowance for loan losses and the reserve for unfunded commitments, which collectively stand at \$17,470,000 at September 30, 2005, are adequate to absorb probable losses inherent in the Company's loan portfolio. No assurance can be given, however, that adverse economic conditions or other circumstances will not result in increased losses in the portfolio.

-9-

The following tables summarize the activity in the allowance for loan losses, reserve for unfunded commitments, and allowance for losses (which is comprised of the allowance for loan losses and the reserve for unfunded commitments) for the periods indicated (dollars in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2005	2004	2005	2004
Allowance for loan losses:				
Balance at beginning of period	\$14,892	\$14,613	\$14,525	\$12,890
Provision for loan losses	947	1,166	1,608	3,084
Loans charged off	(479)	(687)	(1,287)	(1,053)
Recoveries of previously charged-off loans	436	75	950	246
	-----	-----	-----	-----

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Net charge-offs	(43)	(612)	(337)	(807)
Balance at end of period	\$15,796	\$15,167	\$15,796	\$15,167
Reserve for unfunded commitments:				
Balance at beginning of period	\$1,671	\$916	\$1,532	\$883
Provision for losses -				
Unfunded commitments	3	133	142	166
Balance at end of period	\$1,674	\$1,049	\$1,674	\$1,049
Balance at end of period:				
Allowance for loan losses			\$15,796	\$15,167
Reserve for unfunded commitments			1,674	1,049
Allowance for losses			\$17,470	\$16,216
As a percentage of total loans:				
Allowance for loan losses			1.19%	1.35%
Reserve for unfunded commitments			0.13%	0.09%
Allowance for losses			1.32%	1.44%

Servicing

Servicing assets are recognized as separate assets when rights are acquired through purchase or through sale of financial assets. Generally, purchased servicing rights are capitalized at the cost to acquire the rights. For sales of mortgage loans, a portion of the cost of originating the loan is allocated to the servicing right based on relative fair value. Fair value is based on market prices for comparable mortgage servicing contracts, when available, or alternatively, is based on a valuation model that calculates the present value of estimated future net servicing income. The valuation model incorporates assumptions that market participants would use in estimating future net servicing income, such as the cost to service, the discount rate, the custodial earnings rate, an inflation rate, ancillary income, prepayment speeds and default rates and losses. Capitalized servicing rights are reported in other assets and are amortized into non-interest income in proportion to, and over the period of, the estimated future servicing income of the underlying financial assets.

Servicing assets are evaluated for impairment based upon the fair value of the rights as compared to amortized cost. Impairment is determined by stratifying rights into tranches based on predominant risk characteristics, such as interest rate, loan type and investor type. Impairment is recognized through a valuation allowance for an individual tranche, to the extent that fair value is less than the capitalized amount for the tranche. If the Company later determines that all or a portion of the impairment no longer exists for a particular tranche, a reduction of the allowance may be recorded as an increase to income.

Servicing fee income is recorded for fees earned for servicing loans. The fees are based on a contractual percentage of the outstanding principal; or a fixed amount per loan and are recorded as income when earned. The amortization of mortgage servicing rights is netted against loan servicing fee income.

The following table summarizes the Company's mortgage servicing rights recorded

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

in other assets as of September 30, 2005 and December 31, 2004.

(Dollars in thousands)	December 31, 2004	Additions	Reductions	September 30, 2005
Mortgage Servicing Rights	\$3,476	\$659	(\$490)	\$3,645
Valuation allowance	-	-	-	-
 Mortgage servicing rights, net of valuation allowance	 \$3,476	 \$659	 (\$490)	 \$3,645

At September 30, 2005 and December 31, 2004, the Company serviced real estate mortgage loans for others of \$369 million and \$368 million, respectively. At September 30, 2005 and December 31, 2004, the fair value of the Company's mortgage servicing rights assets was \$3,812,000 and \$3,568,000, respectively.

Off-Balance Sheet Credit Related Financial Instruments

In the ordinary course of business, the Company has entered into commitments to extend credit, including commitments under credit card arrangements, commercial letters of credit, standby letters of credit, and deposit account overdraft privilege. Such financial instruments are recorded when they are funded.

Premises and Equipment

Land is carried at cost. Buildings and equipment, including those acquired under capital lease, are stated at cost less accumulated depreciation and amortization. Depreciation and amortization expenses are computed using the straight-line method over the estimated useful lives of the related assets or lease terms. Asset lives range from 3-10 years for furniture and equipment and 15-40 years for land improvements and buildings.

Foreclosed Assets

Assets acquired through, or in lieu of, loan foreclosure are held for sale and are initially recorded at fair value at the date of foreclosure, establishing a new cost basis. Subsequent to foreclosure, management periodically performs valuations and the assets are carried at the lower of carrying amount or fair value less cost to sell. Revenue and expenses from operations and changes in the valuation allowance are included in other noninterest expense.

Goodwill and Other Intangible Assets

Goodwill represents the excess of costs over fair value of assets of businesses acquired. The Company adopted the provisions of Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standard No. 142, Goodwill and Other Intangible Assets (SFAS 142), as of January 1, 2002. Pursuant to SFAS 142, goodwill and other intangible assets acquired in a purchase business combination and determined to have an indefinite useful life are not amortized, but instead tested for impairment at least annually in accordance with the provisions of SFAS 142. SFAS 142 also requires that intangible assets with estimable useful lives be amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment in accordance with FASB Statement of Financial Accounting Standard No. 144, Accounting for Impairment or Disposal of Long-Lived Assets (SFAS 144).

As of the date of adoption, the Company had identifiable intangible assets consisting of core deposit premiums and minimum pension liability. Core deposit premiums are amortized using an accelerated method over a period of ten years. Intangible assets related to minimum pension liability are adjusted annually based upon actuarial estimates.

The following table summarizes the Company's core deposit intangibles as of September 30, 2005 and December 31, 2004.

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

(Dollar in Thousands)	December 31, 2004	Additions	Reductions	September 30, 2005
Core deposit intangibles	\$13,643	-	-	\$13,643
Accumulated amortization	(9,201)	-	(\$1,035)	(10,236)
Core deposit intangibles, net	\$4,442	-	(\$1,035)	\$3,407

Core deposit intangibles are amortized over their expected useful lives. Such lives are periodically reassessed to determine if any amortization period adjustments are indicated.

-11-

The following table summarizes the Company's estimated core deposit intangible amortization for each of the five succeeding years from December 31, 2004:

Years Ended	Estimated Core Deposit Intangible Amortization (Dollar in thousands)
2005	\$1,381
2006	1,395
2007	490
2008	523
2009	328
Thereafter	325

	\$4,442
	=====

The following table summarizes the Company's minimum pension liability intangible as of September 30, 2005 and December 31, 2004.

(Dollar in Thousands)	December 31, 2004	Additions	Reductions	September 30, 2005
Minimum pension liability intangible	\$966	-	-	\$966

Intangible assets related to minimum pension liability are adjusted annually based upon actuarial estimates.

The following table summarizes the Company's goodwill intangible as of September 30, 2005 and December 31, 2004.

(Dollar in Thousands)	December 31, 2004	Additions	Reductions	September 30, 2005
Goodwill	15,519	-	-	15,519

Impairment of Long-Lived Assets and Goodwill

Long-lived assets, such as property, plant, and equipment, and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the balance sheet.

On December 31 of each year, goodwill is tested for impairment, and is tested for impairment more frequently if events and circumstances indicate that the asset might be impaired. An impairment loss is recognized to the extent that the carrying amount exceeds the asset's fair value. This determination is made at the reporting unit level and consists of two steps. First, the Company determines the fair value of a reporting unit and compares it to its carrying amount. Second, if the carrying amount of a reporting unit exceeds its fair value, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation. The residual fair value after this allocation is the implied fair value of the reporting unit goodwill.

Income Taxes

The Company's accounting for income taxes is based on an asset and liability approach. The Company recognizes the amount of taxes payable or refundable for the current year, and deferred tax assets and liabilities for the future tax consequences that have been recognized in its financial statements or tax returns. The measurement of tax assets and liabilities is based on the provisions of enacted tax laws.

-12-

Stock-Based Compensation

The Company uses the intrinsic value method to account for its stock option plans (in accordance with the provisions of Accounting Principles Board Opinion No. 25). Under this method, compensation expense is recognized for awards of options to purchase shares of common stock to employees under compensatory plans only if the fair market value of the stock at the option grant date (or other measurement date, if later) is greater than the amount the employee must pay to acquire the stock. Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation (SFAS 123) permits companies to continue using the intrinsic value method or to adopt a fair value based method to account for stock option plans. The fair value based method results in recognizing as expense over the vesting period the fair value of all stock-based awards on the date of grant. The Company has elected to continue to use the intrinsic value method (see Recent Accounting Pronouncements).

Had compensation cost for the Company's option plans been determined in accordance with SFAS 123, the Company's net income and earnings per share would have been reduced to the pro forma amounts indicated below:

(in thousands, except per share amounts)	Three Months Ended September 30, 2005 ----	2004 ----	Nine Months Ended Sep 2005 ----	\$
Net income	As reported	\$5,961	\$5,203	\$16,937

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

	Pro forma	\$5,865	\$5,101	\$16,642	\$
Basic earnings per share	As reported	\$0.38	\$0.33	\$1.08	
	Pro forma	\$0.37	\$0.33	\$1.06	
Diluted earnings per share	As reported	\$0.37	\$0.32	\$1.04	
	Pro forma	\$0.36	\$0.31	\$1.02	
Stock-based employee compensation					
cost, net of related tax effects,					
included in net income	As reported	\$0	\$0	\$0	
	Pro forma	\$96	\$102	\$295	

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing.

Earnings Per Share

Basic earnings per share represents income available to common shareholders divided by the weighted-average number of common shares outstanding during the period. Diluted earnings per share reflects additional common shares that would have been outstanding if dilutive potential common shares had been issued, as well as any adjustments to income that would result from assumed issuance. Potential common shares that may be issued by the Company relate solely from outstanding stock options, and are determined using the treasury stock method.

Earnings per share have been computed based on the following:

(in thousands)	Three Months		Nine Months	
	Ended September 30, 2005	2004	Ended September 2005	2004
Net income	\$5,961	\$5,203	\$16,937	\$14,937
Average number of common shares outstanding	15,688	15,672	15,706	15,672
Effect of dilutive stock options	642	582	622	582
Average number of common shares outstanding used to calculate diluted earnings per share	16,330	16,254	16,328	16,254

-13-

Comprehensive Income

Accounting principles generally require that recognized revenue, expenses, gains and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities, are reported as a separate component of the equity section of the balance sheet, such items, along with net income, are components of comprehensive income.

The components of other comprehensive income (loss) and related tax effects are as follows:

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

	Three months ended September 30,		Nine Months
	2005	2004	2005
(in thousands)			
Unrealized holding gains (losses) on available-for-sale securities	(\$1,846)	\$5,416	(\$3,772)
Tax effect	776	(2,277)	1,586
Unrealized holding gains (losses) on available-for-sale securities, net of tax	(\$1,070)	3,139	(\$2,186)

The components of accumulated other comprehensive loss, included in shareholders' equity, are as follows:

	September 30, 2005	December 31, 2004
(in thousands)		
Net unrealized (losses) gains on available-for-sale securities	(\$2,765)	\$1,007
Tax effect	1,162	(424)
Unrealized holding (losses) gains on available-for-sale securities, net of tax	(1,603)	583
Minimum pension liability	(1,559)	(1,559)
Tax effect	624	624
Minimum pension liability, net of tax	(935)	(935)
Accumulated other comprehensive loss	(\$2,538)	(\$352)

Retirement Plans

The Company has supplemental retirement plans covering directors and key executives. These plans are non-qualified defined benefit plans and are unsecured and unfunded. The Company has purchased insurance on the lives of the participants and intends to use the cash values of these policies to pay the retirement obligations.

The following table sets forth the net periodic benefit cost recognized for the plans:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September	
	2005	2004	2005	2004
Net pension cost included the following components:				
Service cost-benefits earned during the period	\$104	\$76	\$313	\$227
Interest cost on projected benefit obligation	134	123	402	371
Amortization of net obligation at transition	56	3	168	8
Amortization of prior service cost	24	27	72	81

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Recognized net actuarial loss	0	27	2	82
Net periodic pension cost	\$318	\$256	\$957	\$769

During the nine months ended September 30, 2005 and 2004, the Company contributed and paid out as benefits \$393,000 and \$378,000, respectively, to participants under the plans. For the year ending December 31, 2005, the Company expects to contribute and pay out as benefits \$517,000 to participants under the plans.

-14-

Recent Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board (FASB) issued FASB Statement of Financial Accounting Standard No. 123 (revised 2004), Share-Based Payment (SFAS 123R), which replaces SFAS No. 123, Accounting for Stock-Based Compensation, (SFAS 123) and supercedes APB Opinion No. 25, Accounting for Stock Issued to Employees. SFAS 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values beginning with the first interim reporting period of the Company's fiscal year beginning after June 15, 2005, with early adoption encouraged. The pro forma disclosures previously permitted under SFAS 123 no longer will be an alternative to financial statement recognition. The Company is required to adopt SFAS 123R on January 1, 2006. Under SFAS 123R, the Company must determine the appropriate fair value model to be used for valuing share-based payments, the amortization method for compensation cost and the transition method to be used at date of adoption. The transition methods include prospective and retroactive adoption options. Under the retroactive option, prior periods may be restated either as of the beginning of the year of adoption or for all periods presented. The prospective method requires that compensation expense be recorded for all unvested stock options at the beginning of the first quarter of adoption of SFAS 123R, while the retroactive methods would record compensation expense for all unvested stock options and restricted stock beginning with the first period restated. The Company is evaluating the requirements of SFAS 123R and expects that the adoption of SFAS 123R will not have a material impact on the Company's consolidated results of operations and earnings per share. The Company has not yet determined the method of adoption or the effect of adopting SFAS 123R, and it has not determined whether the adoption will result in amounts that are similar to the current pro forma disclosures under SFAS 123.

In May 2005, the FASB issued FASB Statement of Financial Accounting Standard No. 154, Accounting Changes and Error Corrections, (SFAS 154) a Replacement of APB Opinion No. 20 and FASB Statement No. 3. SFAS 154 establishes, unless impracticable, retrospective application as the required method for reporting a change in accounting principle in the absence of explicit transition requirements specific to a newly adopted accounting principle. Previously, most changes in accounting principle were recognized by including the cumulative effect of changing to the new accounting principle in net income of the period of the change. Under SFAS 154, retrospective application requires (i) the cumulative effect of the change to the new accounting principle on periods prior to those presented to be reflected in the carrying amounts of assets and liabilities as of the beginning of the first period presented, (ii) an offsetting adjustment, if any, to be made to the opening balance of retained earnings (or other appropriate components of equity) for that period, and (iii) financial statements for each individual prior period presented to be adjusted

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

to reflect the direct period-specific effects of applying the new accounting principle. Special retroactive application rules apply in situations where it is impracticable to determine either the period-specific effects or the cumulative effect of the change. Indirect effects of a change in accounting principle are required to be reported in the period in which the accounting change is made. SFAS 154 carries forward the guidance in APB Opinion 20 "Accounting Changes," requiring justification of a change in accounting principle on the basis of preferability. SFAS 154 also carries forward without change the guidance contained in APB Opinion 20, for reporting the correction of an error in previously issued financial statements and for a change in accounting estimate. SFAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. The Company does not expect SFAS 154 will significantly impact its financial statements upon its adoption on January 1, 2006.

Reclassifications

Certain amounts previously reported in the 2004 financial statements have been reclassified to conform to the 2005 presentation. Additionally, in the first quarter of 2005, the Company reclassified the reserve for unfunded commitments from the allowance for loan losses to other liabilities, and reclassified the provision for unfunded commitments from the provision for loan losses to other noninterest expense. These reclassifications did not affect previously reported net income or total shareholders' equity.

-15-

TRICO BANCSHARES
Financial Summary
(dollars in thousands, except per share amounts; unaudited)

	Three months ended September 30,		Nine months September
	2005	2004	2005
Net Interest Income (FTE)	\$20,086	\$18,712	\$58,203
Provision for loan losses	947	1,166	1,608
Noninterest income	6,632	6,361	18,269
Noninterest expense	15,680	15,223	46,310
Provision for income taxes (FTE)	4,130	3,481	11,617
Net income	\$5,961	\$5,203	\$16,937
Earnings per share:			
Basic	\$0.38	\$0.33	\$1.08
Diluted	\$0.37	\$0.32	\$1.04
Per share:			
Dividends paid	\$0.11	\$0.11	\$0.33
Book value at period end	\$9.30	\$8.64	
Tangible book value at period end	\$8.04	\$7.33	
Average common shares outstanding	15,688	15,672	15,706
Average diluted shares outstanding	16,330	16,254	16,328
Shares outstanding at period end	15,728	15,698	
At period end:			

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Loans, net	\$1,312,294	\$1,111,256	
Total assets	1,786,856	1,574,546	
Total deposits	1,438,299	1,292,141	
Other borrowings	31,711	27,159	
Junior subordinated debt	41,238	41,238	
Shareholders' equity	\$146,322	\$135,688	
Financial Ratios:			
During the period (annualized):			
Return on assets	1.37%	1.34%	1.34%
Return on equity	16.26%	15.57%	15.71%
Net interest margin ¹	5.10%	5.35%	5.12%
Net loan charge-offs to average loans	0.01%	0.22%	0.04%
Efficiency ratio ¹	58.69%	60.71%	60.56%
At Period End:			
Equity to assets	8.19%	8.62%	
Total capital to risk assets	11.19%	12.36%	
Allowance for losses to loans ²	1.32%	1.44%	

1 Fully taxable equivalent (FTE)

2 Allowance for losses includes allowance for loan losses and reserve for unfunded commitments.

-16-

PART II - OTHER INFORMATION

Item 6 - Exhibits

- 3.1* Restated Articles of Incorporation dated May 9, 2003, filed as Exhibit 3.1 to TriCo's Quarterly Report on Form 10-Q for the quarter ended March 31, 2003.
- 3.2* Bylaws of TriCo Bancshares, as amended, filed as Exhibit 3.2 to TriCo's Form S-4 Registration Statement dated January 16, 2003 (No. 333-102546).
- 4 Certificate of Determination of Preferences of Series AA Junior Participating Preferred Stock filed as Exhibit 3.3 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2001.
- 10.1* Rights Agreement dated June 25, 2001, between TriCo and Mellon Investor Services LLC filed as Exhibit 1 to TriCo's Form 8-A dated July 25, 2001.
- 10.2* Form of Change of Control Agreement dated as of August 23, 2005, between TriCo, Tri Counties Bank and each of Bruce Belton, Craig Carney, Gary Coelho, W.R. Hagstrom, Andrew Mastorakis, Rick Miller, Richard O'Sullivan, Thomas Reddish, and Ray Rios filed as Exhibit 10.2 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
- 10.4* TriCo's Non-Qualified Stock Option Plan filed as Exhibit 4.2 to TriCo's Form S-8 Registration Statement dated January 18, 1995 (No. 33-88704).
- 10.5* TriCo's Incentive Stock Option Plan filed as Exhibit 4.3 to

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

TriCo's Form S-8 Registration Statement dated January 18, 1995 (No. 33-88704).

- 10.6* TriCo's 1995 Incentive Stock Option Plan filed as Exhibit 4.1 to TriCo's Form S-8 Registration Statement dated August 23, 1995 (No. 33-62063).
 - 10.7* TriCo's 2001 Stock Option Plan, as amended filed as Exhibit 10.7 to TriCo's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005.
 - 10.8* Amended Employment Agreement between TriCo and Richard Smith dated as of August 23, 2005 filed as Exhibit 10.8 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
 - 10.9* Tri Counties Bank Executive Deferred Compensation Plan restated April 1, 1992, and January 1, 2005 filed as Exhibit 10.9 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
 - 10.10* Tri Counties Bank Deferred Compensation Plan for Directors effective January 1, 2005 filed as Exhibit 10.10 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
 - 10.11* 2005 Tri Counties Bank Deferred Compensation Plan for Executives and Directors effective January 1, 2005 filed as Exhibit 10.11 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2005.
 - 10.13* Tri Counties Bank Supplemental Retirement Plan for Directors dated September 1, 1987, as restated January 1, 2001, and amended and restated January 1, 2004 filed as Exhibit 10.12 to TriCo's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004.
- 17-
- 10.14* 2004 TriCo Bancshares Supplemental Retirement Plan for Directors effective January 1, 2004 filed as Exhibit 10.13 to TriCo's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004.
 - 10.15* Tri Counties Bank Supplemental Executive Retirement Plan effective September 1, 1987, as amended and restated January 1, 2004 filed as Exhibit 10.14 to TriCo's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004.
 - 10.16* 2004 TriCo Bancshares Supplemental Executive Retirement Plan effective January 1, 2004 filed as Exhibit 10.15 to TriCo's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004.
 - 10.17* Form of Joint Beneficiary Agreement effective March 31, 2003 between Tri Counties Bank and each of George Barstow, Dan Bay, Ron Bee, Craig Carney, Robert Elmore, Greg Gill, Richard Miller, Andrew Mastorakis, Richard O'Sullivan, Thomas Reddish, Jerald Sax, and Richard Smith, filed as Exhibit 10.14 to TriCo's

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Quarterly Report on Form 10-Q for the quarter ended September 30, 2003.

- 10.18* Form of Joint Beneficiary Agreement effective March 31, 2003 between Tri Counties Bank and each of Don Amaral, William Casey, Craig Compton, John Hasbrook, Michael Koehnen, Wendell Lundberg, Donald Murphy, Carroll Taresh, and Alex Vereshagin, filed as Exhibit 10.15 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003.
- 10.19* Form of Tri-Counties Bank Executive Long Term Care Agreement effective June 10, 2003 between Tri Counties Bank and each of Craig Carney, Andrew Mastorakis, Richard Miller, Richard O'Sullivan, and Thomas Reddish, filed as Exhibit 10.16 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003.
- 10.20* Form of Tri-Counties Bank Director Long Term Care Agreement effective June 10, 2003 between Tri Counties Bank and each of Don Amaral, William Casey, Craig Compton, John Hasbrook, Michael Koehnen, Donald Murphy, Carroll Taresh, and Alex Vereschagin, filed as Exhibit 10.17 to TriCo's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003.
- 10.21* Form of Indemnification Agreement between TriCo Bancshares/Tri Counties Bank and each of the directors of TriCo Bancshares/Tri Counties Bank effective on the date that each director is first elected, filed as Exhibit 10.18 to TriCo'S Annual Report on Form 10-K for the year ended December 31, 2003.
- 10.22* Form of Indemnification Agreement between TriCo Bancshares/Tri Counties Bank and each of Craig Carney, W.R. Hagstrom, Andrew Mastorakis, Rick Miller, Richard O'Sullivan, Thomas Reddish, Ray Rios, and Richard Smith filed as Exhibit 10.21 to TriCo's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004.
- 31.1 Rule 13a-14(a)/15d-14(a) Certification of CEO
- 31.2 Rule 13a-14(a)/15d-14(a) Certification of CFO
- 32.1 Section 1350 Certification of CEO
- 32.2 Section 1350 Certification of CFO

* Previously filed and incorporated by reference.

-18-

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 hereunto duly authorized.

TRICO BANCSHARES
(Registrant)

Date: November 23, 2005

/s/ Thomas J. Reddish

Thomas J. Reddish

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Executive Vice President and
Chief Financial Officer

-19-

Exhibit 31.1

Rule 13a-14/15d-14 Certification of CEO

I, Richard P. Smith, certify that;

1. I have reviewed this amendment no. 1 to the quarterly report on Form 10-Q/A of TriCo Bancshares;
2. Based on my knowledge, this amended quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this amended quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this amended quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this amended quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) and internal control over financial reporting (as defined in Exchange Act Rules 13-d-15(f) and 15d-15(f)) for the registrant and we have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this amended quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this amended quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this amended quarterly report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors;
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 23, 2005

/s/ Richard P. Smith

Richard P. Smith
President and Chief Executive Officer

Exhibit 31.2

Rule 13a-14/15d-14 Certification of CFO

I, Thomas J. Reddish, certify that;

1. I have reviewed this amendment no. 1 to the quarterly report on Form 10-Q/A of TriCo Bancshares;
2. Based on my knowledge, this amended quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this amended quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this amended quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this amended quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) and internal control over financial reporting (as defined in Exchange Act Rules 13-d-15(f) and 15d-15(f)) for the registrant and we have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiary, is made known to us by others within those entities, particularly during the period in which this amended quarterly report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this amended quarterly

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

- report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this amended quarterly report based on such evaluation; and
- d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors;
- a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 23, 2005

/s/ Thomas J. Reddish

Thomas J. Reddish
Executive Vice President and Chief
Financial Officer

Exhibit 32.1

Section 1350 Certification of CEO

In connection with the Amendment No. 1 to the Quarterly Report of TriCo Bancshares (the "Company") on Form 10-Q/A for the period ended September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Richard P. Smith, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Richard P. Smith

Richard P. Smith
President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to TriCo Bancshares and will be retained by TriCo Bancshares and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

Edgar Filing: TRICO BANCSHARES / - Form 10-Q/A

Section 1350 Certification of CFO

In connection with the Amendment No. 1 to the Quarterly Report of TriCo Bancshares (the "Company") on Form 10-Q/A for the period ended September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas J. Reddish, Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Thomas J. Reddish

Thomas J. Reddish
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to TriCo Bancshares and will be retained by TriCo Bancshares and furnished to the Securities and Exchange Commission or its staff upon request.