



2017 MID-YEAR CREDIT UNION BULLETIN

This bulletin highlights the 2017 second quarter financial trends for Wisconsin's 135 state-chartered credit unions. The analysis is based on data compiled from the June 2017 5300 call reports. This information is provided to keep you informed of current conditions and trends in the Wisconsin credit union industry.

Total assets increased to \$33.4 billion, up from \$31.5 billion as of yearend 2016. The net worth ratio remained strong at 10.95%. Net income was over \$171 million resulting in a return on average assets ratio of 1.06%.

Loans outstanding grew by \$1.5 billion since yearend 2016 and savings grew by \$1.7 billion resulting in a loan to savings ratio of 91.22%. The delinquency ratio was 0.63% compared to 0.75% as of December 31, 2016.

The financial indicators for Wisconsin's state-chartered credit unions exhibit sound financial performance through June 30, 2017.

Additional information about consolidations that occurred in the second quarter of 2017 is included in this bulletin.

Kim Santos, Director
Office of Credit Unions



2017 CONSOLIDATIONS

Consolidation Date	Absorbed Credit Union	Location	Continuing Credit Union	Location
12/31/2016	Catholic	Superior	Indianhead	Spooner
12/31/2016	Douglas County	Superior	Indianhead	Spooner
12/31/2016	Lake Superior Refinery	Superior	Indianhead	Spooner
12/31/2016	Water-Light	Superior	Indianhead	Spooner
1/14/2017	Horizon Community	Green Bay	Fox Communities	Appleton
1/31/2017	Kenosha City Employees	Kenosha	Blackhawk Community	Janesville
3/31/2017	Hanna Employees Federal	Pleasant Prairie	Educators	Mount Pleasant
4/1/2017	Police	Green Bay	Capital	Green Bay
5/31/2017	Fire Department	Superior	Indianhead	Spooner

**COMPARISON STATEMENTS OF CONDITION
OF WISCONSIN CREDIT UNIONS
JUNE 30, 2017 and DECEMBER 31, 2016**

	June 30, 2017		December 31, 2016		Increase or Decrease	% Change
<u>Number of Credit Unions</u>	135		143		-8	-5.6%
	<u>AMOUNT</u>	<u>% OF ASSETS</u>	<u>AMOUNT</u>	<u>% OF ASSETS</u>		
<u>ASSETS</u>						
Personal Loans	10,791,130,547	32.3%	9,930,799,447	31.6%	860,331,100	8.7%
Real Estate Loans	15,158,494,641	45.4%	14,473,386,024	46.0%	685,108,617	4.7%
Total Loans	25,949,625,188	77.8%	24,404,185,471	77.6%	1,545,439,717	6.3%
Allowance for Loan Losses	156,938,406	0.5%	159,248,517	0.5%	-2,310,111	-1.5%
Net Loans	25,792,686,782	77.3%	24,244,936,954	77.1%	1,547,749,828	6.4%
Cash	2,282,337,163	6.8%	2,119,307,205	6.7%	163,029,958	7.7%
Investments	3,482,919,637	10.4%	3,315,714,283	10.5%	167,205,354	5.0%
Fixed Assets	713,691,426	2.1%	716,567,191	2.3%	-2,875,765	-0.4%
Other Assets	1,086,514,289	3.3%	1,056,763,743	3.4%	29,750,546	2.8%
TOTAL ASSETS	<u>33,358,149,297</u>	100.0%	<u>31,453,289,376</u>	100.0%	<u>1,904,859,921</u>	6.1%
<u>LIABILITIES</u>						
Regular Shares	9,462,748,587	28.4%	8,602,136,935	27.3%	860,611,652	10.0%
Share Drafts	4,665,261,018	14.0%	4,398,966,122	14.0%	266,294,896	6.1%
Other Shares & Deposits	14,318,598,088	42.9%	13,755,428,217	43.7%	563,169,871	4.1%
Total Savings	28,446,607,693	85.3%	26,756,531,274	85.1%	1,690,076,419	6.3%
Notes and Accounts Pay.	1,255,081,186	3.8%	1,224,088,974	3.9%	30,992,212	2.5%
Regular Reserve	1,012,225,464	3.0%	1,017,650,137	3.2%	-5,424,673	-0.5%
Other Reserves	2,644,234,954	7.9%	2,455,018,991	7.8%	189,215,963	7.7%
TOTAL LIABILITIES	<u>33,358,149,297</u>	100.0%	<u>31,453,289,376</u>	100.0%	<u>1,904,859,921</u>	6.1%

**STATEMENT OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIOD ENDING JUNE 30, 2017**

	AMOUNT	% OF GROSS INCOME	% OF AVERAGE ASSETS
INCOME			
Interest on Loans	525,128,955	67.75%	3.24%
Less: Interest Refunds	<u>569,979</u>	0.07%	0.00%
Net Interest Income	524,558,976	67.68%	3.24%
Income on Investments	35,593,647	4.59%	0.22%
Other Income	<u>214,920,154</u>	27.73%	1.33%
TOTAL OPERATING INCOME	775,072,777	100.00%	4.78%
ADMINISTRATIVE EXPENSES			
Employee Costs	263,398,177	33.98%	1.63%
Travel and Conference	5,436,460	0.70%	0.03%
Office Occupancy	32,328,098	4.17%	0.20%
General Operations	88,082,500	11.36%	0.54%
Education and Promotion	19,076,278	2.46%	0.12%
Loan Servicing	43,863,273	5.66%	0.27%
Professional Services	31,041,257	4.00%	0.19%
Member Insurance	1,105,042	0.14%	0.01%
Operating Fees	1,937,955	0.25%	0.01%
Other Operational Expenses	<u>13,461,840</u>	1.74%	0.08%
TOTAL ADMINISTRATIVE	499,730,880	64.48%	3.08%
Provision for Loan Loss	<u>30,197,108</u>	3.90%	0.19%
TOTAL OPERATING EXPENSES	529,927,988	68.37%	3.27%
Dividends Paid on Savings	68,144,412	8.79%	0.42%
Interest on Borrowed Funds	<u>6,690,282</u>	0.86%	0.04%
TOTAL COST OF FUNDS	74,834,694	9.66%	0.46%
TOTAL EXPENSES	604,762,682	78.03%	3.73%
NET OPERATING INCOME	170,310,095	21.97%	1.05%
NON-OPERATING GAIN/LOSS	<u>1,379,844</u>	0.18%	0.01%
NET INCOME	171,689,939	22.15%	1.06%
NCUA PREMIUMS AND ASSESSMENTS	59,800	0.01%	0.00%
NET INCOME (LOSS)	171,749,739	22.16%	1.06%

*Small statistical errors may exist due to rounding.
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**COMPARISON STATEMENTS OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIODS ENDING JUNE 30, 2017 AND JUNE 30, 2016**

	2017	% OF AVERAGE ASSETS	2016	% OF AVERAGE ASSETS
	<u>AMOUNT</u>		<u>AMOUNT</u>	
INCOME				
Interest on Loans	525,128,955	3.24%	474,180,459	3.21%
Less: Interest Refunds	<u>569,979</u>	<u>0.00%</u>	<u>507,969</u>	<u>0.00%</u>
Net Interest Income	524,558,976	3.24%	473,672,490	3.23%
Income on Investments	35,593,647	0.22%	29,830,661	0.20%
Other Income	<u>214,920,154</u>	<u>1.33%</u>	<u>203,163,852</u>	<u>1.37%</u>
TOTAL OPERATING INCOME	775,072,777	4.78%	706,667,003	4.78%
ADMINISTRATIVE EXPENSES				
Employee Costs	263,398,177	1.63%	247,215,950	1.67%
Travel and Conference	5,436,460	0.03%	5,334,006	0.04%
Office Occupancy	32,328,098	0.20%	30,807,336	0.21%
General Operations	88,082,500	0.54%	84,229,815	0.57%
Education and Promotion	19,076,278	0.12%	17,587,436	0.12%
Loan Servicing	43,863,273	0.27%	38,547,949	0.26%
Professional Services	31,041,257	0.19%	29,640,756	0.20%
Member Insurance	1,105,042	0.01%	130,209	0.00%
Operating Fees	1,937,955	0.01%	1,877,263	0.01%
Other Operational Expenses	<u>13,461,840</u>	<u>0.08%</u>	<u>12,305,139</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	499,730,880	3.08%	467,675,859	3.17%
Provision for Loan Loss	<u>30,197,108</u>	<u>0.19%</u>	<u>23,857,098</u>	<u>0.16%</u>
TOTAL OPERATING EXPENSES	529,927,988	3.27%	491,532,957	3.33%
COST OF ACQUISITION OF FUNDS				
Dividends Paid on Savings	68,144,412	0.42%	59,394,210	0.40%
Interest on Borrowed Funds	<u>6,690,282</u>	<u>0.04%</u>	<u>5,016,099</u>	<u>0.03%</u>
TOTAL COST OF FUNDS	<u>74,834,694</u>	<u>0.46%</u>	<u>64,410,309</u>	<u>0.44%</u>
TOTAL EXPENSES	604,762,682	3.73%	555,943,266	3.76%
NET OPERATING INCOME	170,310,095	1.05%	150,723,737	1.02%
NON-OPERATING GAIN/LOSS	<u>1,379,844</u>	<u>0.01%</u>	<u>3,561,769</u>	<u>0.02%</u>
NET INCOME	171,689,939	1.06%	154,285,506	1.04%
NCUA PREMIUMS & ASSESSMENTS	59,800	0.00%	9,447	0.00%
NET INCOME (LOSS)	171,749,739	1.06%	154,294,953	1.04%

**SIGNIFICANT OPERATIONAL RATIOS
FOR ALL WISCONSIN CREDIT UNIONS
2012-2017**

	2012	2013	2014	2015	2016	2017
Number of Credit Unions	187	171	160	150	143	135
<u>CAPITAL ADEQUACY</u>						
Net Worth/Total Assets	10.25%	10.65%	10.88%	10.97%	11.08%	10.95%
Total Delinquency/Net Worth	9.66%	7.70%	6.83%	5.71%	5.25%	4.44%
Solvency Evaluation	111.73%	112.23%	112.68%	112.68%	112.98%	112.85%
Classified Assets/Net Worth	8.28%	7.44%	6.25%	5.26%	4.57%	4.29%
<u>ASSET QUALITY</u>						
Delinquent Loans/Loans	1.36%	1.10%	0.97%	0.81%	0.75%	0.63%
Net Charge Offs/Avg. Loans	0.51%	0.43%	0.32%	0.26%	0.25%	0.25%
<u>EARNINGS (to Average Assets)</u>						
Return on Average Assets	1.00%	0.96%	0.82%	1.02%	1.09%	1.06%
Net Operating Expense	2.69%	2.61%	2.57%	2.62%	2.60%	2.54%
Fixed Assets+FRA's**/Assets	2.78%	2.66%	2.62%	2.45%	2.31%	2.18%
Gross Income	5.48%	5.04%	4.71%	4.80%	4.89%	4.78%
Cost of Funds	0.62%	0.48%	0.41%	0.42%	0.45%	0.46%
Operating Exp. (less PLL)	3.43%	3.32%	3.18%	3.22%	3.19%	3.08%
Net Interest Margin	3.24%	3.07%	3.00%	3.00%	3.00%	3.00%
PLL	0.41%	0.30%	0.20%	0.16%	0.17%	0.19%
<u>ASSET-LIABILITY MANAGEMENT</u>						
Net Long Term Assets/Assets	30.65%	33.07%	33.34%	33.89%	33.41%	33.89%
Shares/Savings+Borrowings	25.45%	27.44%	29.34%	30.70%	31.63%	32.79%
Loans/Savings	83.59%	86.23%	89.47%	89.85%	91.21%	91.22%
Loans/Assets	72.76%	74.27%	76.90%	77.10%	77.59%	77.79%
Cash + ST Invest./Assets	13.69%	12.16%	9.84%	10.69%	10.85%	11.02%
<u>OTHER RATIOS</u>						
Savings Growth	7.48%	3.95%	7.15%	9.22%	8.40%	12.63%
Net Worth Growth	10.13%	9.12%	9.84%	10.24%	10.47%	9.63%
Loan Growth	4.07%	7.20%	11.17%	9.68%	10.01%	12.67%
Asset Growth	7.44%	5.05%	7.39%	9.39%	9.35%	12.11%
Investments/Assets	14.00%	15.18%	12.90%	11.80%	10.54%	10.44%
Employee Cost/Gross Inc.	32.16%	33.98%	35.04%	35.04%	34.34%	33.98%
Employee Cost/ Avg. Assets	1.76%	1.71%	1.65%	1.68%	1.68%	1.63%
Average Loan Balance	\$11,882	\$11,820	\$12,156	\$12,577	\$13,079	\$13,303
Average Savings Balance	\$4,511	\$4,543	\$4,585	\$4,786	\$4,900	\$5,037

**Foreclosed and Repossessed Assets

**SIGNIFICANT OPERATIONAL RATIOS
FOR THE PERIOD ENDING JUNE 30, 2017**

Peer Groups by Assets	<\$2,000,000	\$ 2,000,001- \$10,000,000	\$ 10,000,001- \$50,000,000	\$50,000,001- \$100,000,000	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	11	15	43	24	28	14	135
<u>CAPITAL ADEQUACY</u>							
Net Worth/Total Assets	19.03%	15.77%	12.85%	11.61%	11.50%	10.67%	10.95%
Net Worth/PCA Optional Total Assets	19.03%	15.77%	12.86%	11.61%	11.54%	10.67%	10.96%
Total Delinquency/Net Worth	2.20%	7.09%	3.95%	4.37%	4.45%	4.46%	4.44%
Solvency Evaluation	123.59%	118.80%	114.81%	113.16%	113.12%	112.66%	112.85%
Classified Assets/Net Worth	5.24%	4.27%	3.91%	3.72%	3.63%	4.53%	4.29%
<u>ASSET QUALITY</u>							
Delinquent Loans/Loans	0.75%	1.99%	0.82%	0.75%	0.68%	0.60%	0.63%
Net Charge Offs/Avg. Loans	0.78%	0.10%	0.22%	0.09%	0.20%	0.28%	0.25%
Fair Value/Amortized Cost for HTM	N/A	95.76%	99.69%	100.13%	99.20%	99.27%	99.36%
Accumulated Unrealized Gains or Losses on AFS/Amortized Cost AFS	N/A	N/A	-0.95%	-0.62%	0.41%	0.12%	0.12%
Delinquent Loans/Assets	0.42%	1.12%	0.51%	0.51%	0.51%	0.48%	0.49%
<u>EARNINGS (to Average Assets)</u>							
Return on Average Assets	-0.08%	0.15%	0.29%	0.51%	0.79%	1.20%	1.06%
Gross Income	3.43%	3.44%	4.17%	4.19%	4.70%	4.88%	4.78%
Yield on Average Loans	5.31%	4.85%	4.51%	4.25%	4.29%	4.12%	4.17%
Yield on Average Investments	0.68%	0.90%	1.25%	1.53%	1.27%	1.33%	1.33%
Fee & Other Op. Income	0.12%	0.28%	0.91%	0.92%	1.22%	1.40%	1.33%
Cost of Funds	0.18%	0.26%	0.22%	0.26%	0.36%	0.51%	0.46%
Net Margin	3.25%	3.18%	3.95%	3.93%	4.34%	4.37%	4.32%
Operating Exp. (less PLL)	3.54%	2.88%	3.52%	3.36%	3.44%	2.96%	3.08%
PLL	0.38%	0.17%	0.15%	0.08%	0.11%	0.21%	0.19%
Net Interest Margin	3.14%	2.90%	3.05%	3.02%	3.12%	2.96%	3.00%
Operating Exp./Gross Income	103.14%	83.70%	84.41%	80.11%	73.13%	60.65%	64.48%
Fixed Assets+FRA's**/Assets	0.12%	0.60%	1.56%	2.59%	2.80%	2.04%	2.18%
Net Operating Expense	3.47%	2.66%	3.00%	2.86%	2.87%	2.42%	2.54%
<u>ASSET-LIABILITY MANAGEMENT</u>							
Net Long Term Assets/Assets	7.45%	3.16%	18.58%	26.57%	33.54%	35.28%	33.89%
Shares/Savings+Borrowings	87.43%	74.75%	50.70%	41.92%	37.54%	30.09%	32.79%
Loans/Savings	68.73%	66.86%	71.55%	77.33%	86.79%	94.31%	91.22%
Loans/Assets	55.51%	56.10%	61.90%	67.65%	75.09%	79.95%	77.79%
Cash + ST Invest./Assets	34.81%	30.70%	21.82%	16.65%	11.38%	9.98%	11.02%
Shares, Deposits & Borrowings/Earning Assets	81.12%	85.67%	90.02%	92.70%	93.70%	93.08%	93.05%
Shares + Drafts/Savings+Borrowings	88.19%	80.18%	67.19%	60.53%	56.55%	44.42%	48.22%
Borrowings/Shares & Net Worth	0.00%	0.00%	0.00%	0.13%	1.01%	3.39%	2.66%
<u>OTHER RATIOS</u>							
Net Worth Growth	-0.41%	0.96%	2.10%	4.28%	6.80%	11.28%	9.63%
Savings Growth	-3.72%	4.01%	8.27%	6.64%	8.21%	14.45%	12.63%
Loan Growth	-2.44%	4.20%	5.26%	4.03%	7.40%	14.73%	12.67%
Asset Growth	-3.29%	3.47%	7.33%	6.31%	8.50%	13.68%	12.11%
Investment Growth	-68.83%	-48.93%	-15.80%	34.92%	-9.21%	22.44%	12.91%
Investments/Assets	20.36%	29.79%	27.17%	20.61%	12.79%	8.34%	10.44%
Employee Cost/Gross Inc.	57.52%	46.90%	41.20%	41.18%	39.12%	32.02%	33.98%
Employee Cost/ Avg. Assets	1.97%	1.61%	1.72%	1.73%	1.84%	1.56%	1.63%
Average Loan Balance	\$7,007	\$8,504	\$10,977	\$14,386	\$16,036	\$12,864	\$13,303
Average Savings Balance	\$2,269	\$3,760	\$4,065	\$4,500	\$4,827	\$5,202	\$5,037

**Foreclosed and Repossessed Assets

**ANALYSIS OF INCOME AND EXPENSES TO GROSS INCOME
FOR THE PERIOD ENDING JUNE 30, 2017**

Peer Groups by Assets	<\$2,000,000	\$ 2,000,001- \$10,000,000	\$ 10,000,001- \$50,000,000	\$50,000,001- \$100,000,000	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	11	15	43	24	28	14	135
OPERATING INCOME							
Interest on Loans	85.70%	78.96%	67.36%	68.97%	68.79%	67.42%	67.75%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.06%	0.01%	0.09%	0.07%
Income on Investments	10.89%	12.88%	10.93%	9.24%	5.17%	3.90%	4.59%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	1.86%	6.20%	12.44%	11.85%	12.07%	11.14%	11.36%
Other Operating Income	<u>1.55%</u>	<u>1.96%</u>	<u>9.27%</u>	<u>10.00%</u>	<u>13.99%</u>	<u>17.63%</u>	<u>16.37%</u>
TOTAL INCOME	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
OPERATING EXPENSES							
Employee Costs	57.52%	46.90%	41.20%	41.18%	39.12%	32.02%	33.98%
Travel and Conference	0.93%	0.83%	0.99%	0.92%	1.05%	0.59%	0.70%
Office Occupancy	3.21%	4.34%	5.84%	5.44%	5.10%	3.81%	4.17%
General Operations	22.64%	15.39%	15.72%	16.44%	13.64%	10.33%	11.36%
Education and Promotion	0.98%	0.79%	2.12%	2.39%	2.40%	2.50%	2.46%
Loan Servicing	2.83%	2.54%	4.82%	3.75%	4.90%	5.99%	5.66%
Professional Services	6.95%	7.74%	10.33%	7.77%	5.01%	3.28%	4.00%
Member Insurance	0.07%	0.00%	0.02%	0.02%	0.13%	0.16%	0.14%
Operating Fees	3.37%	1.42%	0.73%	0.42%	0.33%	0.20%	0.25%
Miscellaneous	<u>4.63%</u>	<u>3.75%</u>	<u>2.65%</u>	<u>1.78%</u>	<u>1.44%</u>	<u>1.76%</u>	<u>1.74%</u>
TOTAL ADMINISTRATIVE	103.14%	83.70%	84.41%	80.11%	73.13%	60.65%	64.48%
Provision for Loan Loss	<u>11.01%</u>	<u>5.04%</u>	<u>3.67%</u>	<u>2.02%</u>	<u>2.37%</u>	<u>4.37%</u>	<u>3.90%</u>
TOTAL OPERATING EXP.	114.15%	88.74%	88.08%	82.13%	75.50%	65.03%	68.37%
COST OF FUNDS							
Interest on Borrowed Funds	0.00%	0.02%	0.01%	0.08%	0.20%	1.10%	0.86%
Dividends on Savings	<u>5.18%</u>	<u>7.50%</u>	<u>5.22%</u>	<u>6.12%</u>	<u>7.39%</u>	<u>9.43%</u>	<u>8.79%</u>
TOTAL COST OF FUNDS	5.18%	7.52%	5.23%	6.20%	7.60%	10.53%	9.66%
NET INCOME FROM OPERATIONS	-19.33%	3.74%	6.69%	11.67%	16.90%	24.44%	21.97%
NON-OPERATING GAIN/LOSS	<u>17.10%</u>	<u>0.69%</u>	<u>0.17%</u>	<u>0.40%</u>	<u>-0.09%</u>	<u>0.22%</u>	<u>0.18%</u>
NET INCOME	-2.23%	4.43%	6.86%	12.07%	16.82%	24.66%	22.15%
NCUA EXPENSES	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.01%
ADJUSTED NET INCOME (LOSS)	-2.23%	4.43%	6.86%	12.07%	16.86%	24.66%	22.16%

**ANALYSIS OF INCOME AND EXPENSES TO AVERAGE ASSETS
FOR THE PERIOD ENDING JUNE 30, 2017**

Peer Groups by Assets	\$ 2,000,001- <\$2,000,000	\$ 10,000,001- \$10,000,000	\$ 50,000,001- \$50,000,000	\$ 100,000,001- \$100,000,000	\$ 500,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	11	15	43	24	28	14	135
OPERATING INCOME							
Interest on Loans	2.94%	2.71%	2.81%	2.89%	3.23%	3.29%	3.24%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income on Investments	0.37%	0.44%	0.46%	0.39%	0.24%	0.19%	0.22%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	0.06%	0.21%	0.52%	0.50%	0.57%	0.54%	0.54%
Other Operating Income	<u>0.05%</u>	<u>0.07%</u>	<u>0.39%</u>	<u>0.42%</u>	<u>0.66%</u>	<u>0.86%</u>	<u>0.78%</u>
TOTAL INCOME	3.43%	3.44%	4.17%	4.19%	4.70%	4.88%	4.78%
OPERATING EXPENSES							
Employee Costs	1.97%	1.61%	1.72%	1.73%	1.84%	1.56%	1.63%
Travel and Conference	0.03%	0.03%	0.04%	0.04%	0.05%	0.03%	0.03%
Office Occupancy	0.11%	0.15%	0.24%	0.23%	0.24%	0.19%	0.20%
General Operations	0.78%	0.53%	0.66%	0.69%	0.64%	0.50%	0.54%
Education and Promotion	0.03%	0.03%	0.09%	0.10%	0.11%	0.12%	0.12%
Loan Servicing	0.10%	0.09%	0.20%	0.16%	0.23%	0.29%	0.27%
Professional Services	0.24%	0.27%	0.43%	0.33%	0.24%	0.16%	0.19%
Member Insurance	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.01%
Operating Fees	0.12%	0.05%	0.03%	0.02%	0.02%	0.01%	0.01%
Miscellaneous	<u>0.16%</u>	<u>0.13%</u>	<u>0.11%</u>	<u>0.07%</u>	<u>0.07%</u>	<u>0.09%</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	3.54%	2.88%	3.52%	3.36%	3.44%	2.96%	3.08%
Provision for Loan Loss	<u>0.38%</u>	<u>0.17%</u>	<u>0.15%</u>	<u>0.08%</u>	<u>0.11%</u>	<u>0.21%</u>	<u>0.19%</u>
TOTAL OPERATING EXP.	3.92%	3.05%	3.67%	3.44%	3.55%	3.17%	3.27%
COST OF FUNDS							
Interest on Borrowed Funds	0.00%	0.00%	0.00%	0.00%	0.01%	0.05%	0.04%
Dividends on Savings	<u>0.18%</u>	<u>0.26%</u>	<u>0.22%</u>	<u>0.26%</u>	<u>0.35%</u>	<u>0.46%</u>	<u>0.42%</u>
TOTAL COST OF FUNDS	0.18%	0.26%	0.22%	0.26%	0.36%	0.51%	0.46%
NET INCOME FROM OPERATIONS	-0.66%	0.13%	0.28%	0.49%	0.79%	1.19%	1.05%
NON-OPERATING GAIN/LOSS	<u>0.59%</u>	<u>0.02%</u>	<u>0.01%</u>	<u>0.02%</u>	<u>0.00%</u>	<u>0.01%</u>	<u>0.01%</u>
NET INCOME	-0.08%	0.15%	0.29%	0.51%	0.79%	1.20%	1.06%
NCUA EXPENSES	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
ADJUSTED NET INCOME (LOSS)	-0.08%	0.15%	0.29%	0.51%	0.79%	1.20%	1.06%

**LOAN DELINQUENCY
PERIOD ENDING JUNE 30, 2017**

Peer Groups by Assets	<\$2,000,000	\$ 2,000,001- \$10,000,000	\$ 10,000,001- \$50,000,000	\$50,000,001- \$100,000,000	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	11	15	43	24	28	14	135
<u>Loan Delinquency Ratios</u>							
2 - 6 Months Delinquent	0.45%	0.83%	0.50%	0.36%	0.41%	0.43%	0.42%
6 - 12 Months Delinquent	0.20%	0.70%	0.23%	0.26%	0.17%	0.12%	0.14%
Over 12 Months Delinquent	<u>0.10%</u>	<u>0.46%</u>	<u>0.10%</u>	<u>0.12%</u>	<u>0.11%</u>	<u>0.05%</u>	<u>0.06%</u>
Total Delinquent Loans	0.75%	1.99%	0.82%	0.75%	0.68%	0.60%	0.63%
<u>Loan Loss Ratio</u>	0.78%	0.10%	0.22%	0.09%	0.20%	0.28%	0.25%

**ANALYSIS OF LOANS BY TYPE
PERIOD ENDING JUNE 30, 2017**

Number of Credit Unions	11	15	43	24	28	14	135
<u>Loan Types</u>							
Credit Card Loans	0.62%	1.23%	2.77%	2.11%	1.89%	3.89%	3.44%
Unsecured Loans	9.89%	9.50%	3.30%	1.84%	1.89%	3.27%	2.98%
Non-Federally Guaranteed Student Loans	0.00%	0.00%	0.45%	0.14%	0.14%	1.50%	1.18%
New Auto Loans	23.78%	19.66%	9.86%	5.29%	6.40%	5.76%	5.98%
Used Auto Loans	45.22%	45.86%	30.52%	21.22%	22.26%	19.50%	20.38%
First Mortgages	10.22%	4.85%	39.40%	56.39%	51.01%	50.27%	50.32%
Other Real Estate	1.73%	6.91%	7.47%	6.72%	7.18%	8.42%	8.10%
Leases	0.00%	0.00%	0.00%	0.00%	0.00%	0.18%	0.14%
All Other Loans	<u>8.54%</u>	<u>11.99%</u>	<u>6.23%</u>	<u>6.30%</u>	<u>9.22%</u>	<u>7.22%</u>	<u>7.50%</u>
Total Loans	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>Real Estate Loan Detail</u> (As a percent of loans)							
First Mortgage - Fixed > 15 yrs.	0.00%	0.00%	2.24%	3.84%	4.73%	3.33%	3.55%
First Mortgage - Fixed - 15 yrs. Or less	0.00%	1.28%	13.23%	12.65%	11.59%	12.34%	12.23%
First Mortgage - Balloon/Hybrid - > 5 yrs.	5.33%	0.77%	2.44%	5.99%	8.48%	10.50%	9.72%
First Mortgage - Balloon/Hybrid - 5 yrs. Or less	4.89%	2.80%	11.54%	19.86%	11.88%	14.57%	14.26%
First Mortgage - Other Fixed Rate	0.00%	0.00%	0.28%	0.05%	0.07%	0.16%	0.14%
First Mortgage - Adjustable - 1 year or less	0.00%	0.00%	1.88%	2.78%	3.42%	3.23%	3.20%
First Mortgage - Adjustable - > 1 year	0.00%	0.00%	7.79%	11.24%	10.85%	6.14%	7.21%
Other - Closed End Fixed	1.73%	2.38%	3.27%	2.51%	2.11%	1.63%	1.79%
Other - Closed End Adjustable	0.00%	0.03%	0.56%	0.57%	0.89%	0.72%	0.74%
Other - Open End Adjustable	0.00%	4.50%	3.65%	3.43%	4.07%	6.06%	5.53%
Other - Open-End Fixed	0.00%	0.00%	0.00%	0.21%	0.11%	0.01%	0.03%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Real Estate (As a percent of loans)	11.96%	11.76%	46.87%	63.11%	58.19%	58.69%	58.42%
Total Real Estate (As a percent of assets)	6.64%	6.60%	29.01%	42.69%	43.70%	46.92%	45.44%

*This page does not include loans Held for Sale

**ANALYSIS OF SAVINGS BY TYPE
PERIOD ENDING JUNE 30, 2017**

Peer Groups by Assets	\$ 2,000,001- \$100,000,001-						TOTAL
	<\$2,000,000	\$10,000,000	\$50,000,000	\$100,000,000	\$500,000,000	>\$500,000,000	
Number of Credit Unions	11	15	43	24	28	14	135
Share Drafts	0.80%	5.50%	16.81%	19.09%	19.83%	15.38%	16.40%
Regular Shares	87.40%	74.68%	50.38%	41.53%	37.37%	30.73%	33.26%
Money Market Shares	3.20%	0.00%	14.05%	17.85%	18.57%	26.57%	24.19%
Share Certificates	8.56%	18.30%	12.11%	13.42%	15.87%	19.40%	18.20%
IRA Accounts	0.00%	1.44%	4.77%	7.34%	6.52%	5.85%	6.00%
All Other Shares	<u>0.04%</u>	<u>0.07%</u>	<u>1.88%</u>	<u>0.76%</u>	<u>1.84%</u>	<u>2.06%</u>	<u>1.94%</u>
Total Shares	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**ANALYSIS OF INVESTMENTS BY TYPE
PERIOD ENDING JUNE 30, 2017**

Peer Groups by Assets	\$ 2,000,001- \$100,000,001-						TOTAL
	<\$2,000,000	\$10,000,000	\$50,000,000	\$100,000,000	\$500,000,000	>\$500,000,000	
Number of Credit Unions	11	15	43	24	28	14	135
Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Available for Sale Securities	0.00%	0.00%	4.05%	22.89%	28.70%	67.49%	48.59%
Held-to-Maturity Securities	0.00%	0.68%	9.53%	5.46%	14.50%	3.84%	6.77%
Commercial Banks, S&L's, and Mutual Savings Banks	52.72%	56.98%	55.44%	40.09%	31.34%	7.86%	20.68%
Credit Unions	21.58%	24.99%	10.55%	6.70%	5.98%	1.13%	3.72%
Corporate Credit Unions	25.71%	17.34%	16.65%	19.34%	13.97%	13.56%	14.54%
Other Investments	<u>0.00%</u>	<u>0.00%</u>	<u>3.78%</u>	<u>5.53%</u>	<u>5.52%</u>	<u>6.12%</u>	<u>5.69%</u>
Total Investments	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%