



2017 FIRST QUARTER CREDIT UNION BULLETIN

This bulletin highlights the 2017 first quarter financial trends for Wisconsin's 137 state-chartered credit unions. The analysis is based on data compiled from the March 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 \$32.7 billion, up from \$31.5 billion as of yearend 2016. The net worth ratio remained strong at 10.89%. Net income was over \$82 million resulting in a return on average assets ratio of 1.03%.

Loans outstanding grew by \$486 million since yearend 2016 and savings grew by \$1.3 billion resulting in a loan to savings ratio of 88.75%. The delinquency ratio was 0.61% compared to 0.75% as of December 31, 2016.

The financial indicators for Wisconsin's state-chartered credit unions exhibit sound financial performance through March 31, 2017.

Additional information about consolidations that occurred in the first 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

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

	<u>March 31, 2017</u>		<u>December 31, 2016</u>		Increase or Decrease	% Change
<u>Number of Credit Unions</u>	137		143		-6	-4.2%
	<u>AMOUNT</u>	<u>% OF ASSETS</u>	<u>AMOUNT</u>	<u>% OF ASSETS</u>		
<u>ASSETS</u>						
Personal Loans	10,173,445,560	31.1%	9,930,799,447	31.6%	242,646,113	2.4%
Real Estate Loans	14,713,000,981	45.0%	14,473,386,024	46.0%	239,614,957	1.7%
Total Loans	24,886,446,541	76.1%	24,404,185,471	77.6%	482,261,070	2.0%
Allowance for Loan Losses	155,846,387	0.5%	159,248,517	0.5%	-3,402,130	-2.1%
Net Loans	24,730,600,154	75.6%	24,244,936,954	77.1%	485,663,200	2.0%
Cash	2,818,673,763	8.6%	2,119,307,205	6.7%	699,366,558	33.0%
Investments	3,413,910,280	10.4%	3,315,714,283	10.5%	98,195,997	3.0%
Fixed Assets	696,379,019	2.1%	716,567,191	2.3%	-20,188,172	-2.8%
Other Assets	1,050,845,940	3.2%	1,056,763,743	3.4%	-5,917,803	-0.6%
TOTAL ASSETS	<u>32,710,409,156</u>	100.0%	<u>31,453,289,376</u>	100.0%	<u>1,257,119,780</u>	4.0%
<u>LIABILITIES</u>						
Regular Shares	9,273,549,150	28.4%	8,602,136,935	27.3%	671,412,215	7.8%
Share Drafts	4,639,801,113	14.2%	4,398,966,122	14.0%	240,834,991	5.5%
Other Shares & Deposits	14,127,169,972	43.2%	13,755,428,217	43.7%	371,741,755	2.7%
Total Savings	28,040,520,235	85.7%	26,756,531,274	85.1%	1,283,988,961	4.8%
Notes and Accounts Pay.	1,112,950,222	3.4%	1,224,088,974	3.9%	-111,138,752	-9.1%
Regular Reserve	1,012,135,274	3.1%	1,017,650,137	3.2%	-5,514,863	-0.5%
Other Reserves	2,544,803,425	7.8%	2,455,018,991	7.8%	89,784,434	3.7%
TOTAL LIABILITIES	<u>32,710,409,156</u>	100.0%	<u>31,453,289,376</u>	100.0%	<u>1,257,119,780</u>	4.0%

**STATEMENT OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIOD ENDING MARCH 31, 2017**

INCOME	<u>AMOUNT</u>	<u>% OF GROSS INCOME</u>	<u>% OF AVERAGE ASSETS</u>
Interest on Loans	256,615,612	68.28%	3.20%
Less: Interest Refunds	<u>287,272</u>	0.08%	0.00%
Net Interest Income	256,328,340	68.20%	3.20%
Income on Investments	15,963,852	4.25%	0.20%
Other Income	<u>103,556,197</u>	27.55%	1.29%
TOTAL OPERATING INCOME	375,848,389	100.00%	4.69%
ADMINISTRATIVE EXPENSES			
Employee Costs	131,138,085	34.89%	1.64%
Travel and Conference	2,700,747	0.72%	0.03%
Office Occupancy	16,774,152	4.46%	0.21%
General Operations	43,374,183	11.54%	0.54%
Education and Promotion	8,599,685	2.29%	0.11%
Loan Servicing	20,649,313	5.49%	0.26%
Professional Services	15,100,455	4.02%	0.19%
Member Insurance	745,416	0.20%	0.01%
Operating Fees	987,567	0.26%	0.01%
Other Operational Expenses	<u>6,397,229</u>	1.70%	0.08%
TOTAL ADMINISTRATIVE	246,466,832	65.58%	3.07%
Provision for Loan Loss	<u>11,973,128</u>	3.19%	0.15%
TOTAL OPERATING EXPENSES	258,439,960	68.76%	3.22%
Dividends Paid on Savings	32,795,476	8.73%	0.41%
Interest on Borrowed Funds	<u>3,226,916</u>	0.86%	0.04%
TOTAL COST OF FUNDS	36,022,392	9.58%	0.45%
TOTAL EXPENSES	294,462,352	78.35%	3.67%
NET OPERATING INCOME	81,386,037	21.65%	1.01%
NON-OPERATING GAIN/LOSS	<u>667,689</u>	0.18%	0.01%
NET INCOME	82,053,726	21.83%	1.02%
NCUA PREMIUMS AND ASSESSMENTS	207,336	0.06%	0.00%
NET INCOME (LOSS)	82,261,062	21.89%	1.03%

*Small statistical errors may exist due to rounding.
First Quarter Office of Credit Unions Bulletin, Page 4*

**COMPARISON STATEMENTS OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIODS ENDING MARCH 31, 2017 AND MARCH 31, 2016**

	2017	% OF	2016	% OF
	AMOUNT	AVERAGE ASSETS	AMOUNT	AVERAGE ASSETS
INCOME				
Interest on Loans	256,615,612	3.20%	234,891,153	3.22%
Less: Interest Refunds	<u>287,272</u>	<u>0.00%</u>	<u>267,417</u>	<u>0.00%</u>
Net Interest Income	256,328,340	3.20%	234,623,736	3.21%
Income on Investments	15,963,852	0.20%	14,095,443	0.19%
Other Income	<u>103,556,197</u>	<u>1.29%</u>	<u>94,954,612</u>	<u>1.30%</u>
TOTAL OPERATING INCOME	375,848,389	4.69%	343,673,791	4.71%
ADMINISTRATIVE EXPENSES				
Employee Costs	131,138,085	1.64%	122,589,089	1.68%
Travel and Conference	2,700,747	0.03%	2,630,702	0.04%
Office Occupancy	16,774,152	0.21%	15,654,203	0.21%
General Operations	43,374,183	0.54%	41,650,734	0.57%
Education and Promotion	8,599,685	0.11%	8,008,714	0.11%
Loan Servicing	20,649,313	0.26%	18,791,714	0.26%
Professional Services	15,100,455	0.19%	14,678,834	0.20%
Member Insurance	745,416	0.01%	77,623	0.00%
Operating Fees	987,567	0.01%	941,500	0.01%
Other Operational Expenses	<u>6,397,229</u>	<u>0.08%</u>	<u>6,338,723</u>	<u>0.09%</u>
TOTAL ADMINISTRATIVE	246,466,832	3.07%	231,361,836	3.17%
Provision for Loan Loss	<u>11,973,128</u>	<u>0.15%</u>	<u>10,564,346</u>	<u>0.14%</u>
TOTAL OPERATING EXPENSES	258,439,960	3.22%	241,926,182	3.31%
COST OF ACQUISITION OF FUNDS				
Dividends Paid on Savings	32,795,476	0.41%	29,064,972	0.40%
Interest on Borrowed Funds	<u>3,226,916</u>	<u>0.04%</u>	<u>2,439,234</u>	<u>0.03%</u>
TOTAL COST OF FUNDS	<u>36,022,392</u>	<u>0.45%</u>	<u>31,504,206</u>	<u>0.43%</u>
TOTAL EXPENSES	294,462,352	3.67%	273,430,388	3.74%
NET OPERATING INCOME	81,386,037	1.01%	70,243,403	0.96%
NON-OPERATING GAIN/LOSS	<u>667,689</u>	<u>0.01%</u>	<u>2,024,069</u>	<u>0.03%</u>
NET INCOME	82,053,726	1.02%	72,267,472	0.99%
NCUA PREMIUMS & ASSESSMENTS	207,336	0.00%	4,723	0.00%
NET INCOME (LOSS)	82,261,062	1.03%	72,272,195	0.99%

**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	137
<u>CAPITAL ADEQUACY</u>						
Net Worth/Total Assets	10.25%	10.65%	10.88%	10.97%	11.08%	10.89%
Total Delinquency/Net Worth	9.66%	7.70%	6.83%	5.71%	5.25%	4.27%
Solvency Evaluation	111.73%	112.23%	112.68%	112.68%	112.98%	112.69%
Classified Assets/Net Worth	8.28%	7.44%	6.25%	5.26%	4.57%	4.37%
<u>ASSET QUALITY</u>						
Delinquent Loans/Loans	1.36%	1.10%	0.97%	0.81%	0.75%	0.61%
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%	1.02%
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%	2.17%
Gross Income	5.48%	5.04%	4.71%	4.80%	4.89%	4.69%
Cost of Funds	0.62%	0.48%	0.41%	0.42%	0.45%	0.45%
Operating Exp. (less PLL)	3.43%	3.32%	3.18%	3.22%	3.19%	3.07%
Net Interest Margin	3.24%	3.07%	3.00%	3.00%	3.00%	2.95%
PLL	0.41%	0.30%	0.20%	0.16%	0.17%	0.15%
<u>ASSET-LIABILITY MANAGEMENT</u>						
Net Long Term Assets/Assets	30.65%	33.07%	33.34%	33.89%	33.41%	33.26%
Shares/Savings+Borrowings	25.45%	27.44%	29.34%	30.70%	31.63%	32.61%
Loans/Savings	83.59%	86.23%	89.47%	89.85%	91.21%	88.75%
Loans/Assets	72.76%	74.27%	76.90%	77.10%	77.59%	76.08%
Cash + ST Invest./Assets	13.69%	12.16%	9.84%	10.69%	10.85%	12.63%
<u>OTHER RATIOS</u>						
Savings Growth	7.48%	3.95%	7.15%	9.22%	8.40%	19.20%
Net Worth Growth	10.13%	9.12%	9.84%	10.24%	10.47%	8.90%
Loan Growth	4.07%	7.20%	11.17%	9.68%	10.01%	7.90%
Asset Growth	7.44%	5.05%	7.39%	9.39%	9.35%	15.99%
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%	34.89%
Employee Cost/ Avg. Assets	1.76%	1.71%	1.65%	1.68%	1.68%	1.64%
Average Loan Balance	\$11,882	\$11,820	\$12,156	\$12,577	\$13,079	\$13,265
Average Savings Balance	\$4,511	\$4,543	\$4,585	\$4,786	\$4,900	\$5,052

**Foreclosed and Repossessed Assets

**SIGNIFICANT OPERATIONAL RATIOS
FOR THE PERIOD ENDING MARCH 31, 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	13	15	44	23	29	13	137
CAPITAL ADEQUACY							
Net Worth/Total Assets	18.04%	15.87%	12.80%	11.49%	11.19%	10.66%	10.89%
Net Worth/PCA Optional Total Assets	18.04%	15.88%	12.82%	11.50%	11.24%	10.66%	10.90%
Total Delinquency/Net Worth	5.87%	6.83%	3.38%	4.25%	4.45%	4.26%	4.27%
Solvency Evaluation	122.08%	118.93%	114.68%	112.98%	112.57%	112.57%	112.69%
Classified Assets/Net Worth	6.62%	3.81%	3.94%	3.69%	3.73%	4.63%	4.37%
ASSET QUALITY							
Delinquent Loans/Loans	1.85%	1.97%	0.71%	0.73%	0.68%	0.58%	0.61%
Net Charge Offs/Avg. Loans	0.05%	0.33%	0.22%	0.03%	0.21%	0.28%	0.25%
Fair Value/Amortized Cost for HTM	N/A	95.56%	96.37%	99.20%	99.78%	99.03%	99.05%
Accumulated Unrealized Gains or Losses on AFS/Amortized Cost AFS	N/A	N/A	-1.30%	-1.09%	-0.20%	-0.39%	-0.39%
Delinquent Loans/Assets	1.06%	1.08%	0.43%	0.49%	0.50%	0.45%	0.47%
EARNINGS (to Average Assets)							
Return on Average Assets	-2.06%	0.20%	0.28%	0.47%	0.67%	1.20%	1.02%
Gross Income	3.38%	3.44%	4.14%	4.10%	4.59%	4.79%	4.69%
Yield on Average Loans	5.19%	4.95%	4.56%	4.24%	4.26%	4.11%	4.16%
Yield on Average Investments	0.59%	0.86%	1.21%	1.46%	1.21%	1.07%	1.14%
Fee & Other Op. Income	0.12%	0.27%	0.90%	0.84%	1.19%	1.37%	1.29%
Cost of Funds	1.60%	0.26%	0.21%	0.26%	0.35%	0.50%	0.45%
Net Margin	1.78%	3.18%	3.93%	3.84%	4.25%	4.28%	4.24%
Operating Exp. (less PLL)	3.84%	2.89%	3.51%	3.32%	3.47%	2.93%	3.07%
PLL	0.48%	0.13%	0.14%	0.06%	0.11%	0.17%	0.15%
Net Interest Margin	1.66%	2.91%	3.02%	2.99%	3.05%	2.91%	2.95%
Operating Exp./Gross Income	113.38%	84.09%	84.83%	81.13%	75.48%	61.17%	65.58%
Fixed Assets+FRA's**/Assets	0.09%	0.62%	1.62%	2.63%	2.80%	2.01%	2.17%
Net Operating Expense	3.79%	2.68%	3.01%	2.85%	2.92%	2.40%	2.54%
ASSET-LIABILITY MANAGEMENT							
Net Long Term Assets/Assets	6.81%	3.92%	17.98%	26.21%	33.00%	34.68%	33.26%
Shares/Savings+Borrowings	85.60%	74.96%	50.58%	40.64%	39.09%	29.29%	32.61%
Loans/Savings	70.24%	65.71%	69.92%	76.33%	84.09%	91.97%	88.75%
Loans/Assets	57.40%	55.06%	60.63%	66.94%	73.48%	78.27%	76.08%
Cash + ST Invest./Assets	33.47%	30.48%	22.84%	17.86%	12.25%	11.79%	12.63%
Shares, Deposits & Borrowings/Earning Assets	81.87%	85.46%	90.40%	92.83%	94.00%	93.19%	93.21%
Shares + Drafts/Savings+Borrowings	86.14%	80.43%	67.39%	59.52%	58.36%	43.78%	48.31%
Borrowings/Shares & Net Worth	0.00%	0.00%	0.00%	0.15%	0.69%	3.18%	2.41%
OTHER RATIOS							
Net Worth Growth	-11.25%	1.27%	1.97%	4.09%	5.62%	10.69%	8.90%
Savings Growth	-8.04%	4.36%	14.79%	13.89%	14.49%	21.20%	19.20%
Loan Growth	-8.43%	-2.21%	1.64%	1.18%	3.29%	9.78%	7.90%
Asset Growth	-8.79%	3.86%	12.37%	12.11%	12.43%	17.47%	15.99%
Investment Growth	-92.69%	-91.96%	-5.34%	70.37%	50.92%	75.99%	62.27%
Investments/Assets	15.97%	29.58%	27.65%	19.90%	13.05%	8.15%	10.44%
Employee Cost/Gross Inc.	60.91%	46.33%	42.05%	42.22%	40.67%	32.60%	34.89%
Employee Cost/ Avg. Assets	2.06%	1.59%	1.74%	1.73%	1.87%	1.56%	1.64%
Average Loan Balance	\$6,963	\$8,306	\$10,548	\$14,360	\$15,461	\$12,888	\$13,265
Average Savings Balance	\$2,324	\$3,719	\$4,007	\$4,573	\$4,803	\$5,245	\$5,052

**Foreclosed and Repossessed Assets

Small statistical errors may exist due to rounding.
First Quarter Office of Credit Unions Bulletin, Page 7

**ANALYSIS OF INCOME AND EXPENSES TO GROSS INCOME
FOR THE PERIOD ENDING MARCH 31, 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	13	15	44	23	29	13	137
OPERATING INCOME							
Interest on Loans	88.03%	79.74%	67.64%	70.26%	68.96%	67.97%	68.28%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.06%	0.01%	0.10%	0.08%
Income on Investments	8.40%	12.40%	10.54%	9.26%	5.08%	3.43%	4.25%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	1.40%	6.22%	12.15%	11.47%	12.00%	11.06%	11.28%
Other Operating Income	<u>2.17%</u>	<u>1.64%</u>	<u>9.67%</u>	<u>9.07%</u>	<u>13.97%</u>	<u>17.63%</u>	<u>16.27%</u>
TOTAL INCOME	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
OPERATING EXPENSES							
Employee Costs	60.91%	46.33%	42.05%	42.22%	40.67%	32.60%	34.89%
Travel and Conference	0.74%	0.80%	0.87%	0.82%	1.08%	0.61%	0.72%
Office Occupancy	3.20%	4.30%	6.32%	5.77%	5.63%	4.00%	4.46%
General Operations	29.51%	16.72%	14.15%	16.93%	14.23%	10.38%	11.54%
Education and Promotion	1.16%	0.66%	2.13%	2.18%	2.34%	2.29%	2.29%
Loan Servicing	3.14%	1.94%	4.94%	3.31%	4.93%	5.81%	5.49%
Professional Services	7.44%	7.87%	10.85%	7.64%	4.65%	3.33%	4.02%
Member Insurance	0.06%	0.00%	0.02%	0.02%	0.16%	0.23%	0.20%
Operating Fees	2.40%	1.62%	0.74%	0.46%	0.34%	0.21%	0.26%
Miscellaneous	<u>4.83%</u>	<u>3.86%</u>	<u>2.76%</u>	<u>1.78%</u>	<u>1.45%</u>	<u>1.71%</u>	<u>1.70%</u>
TOTAL ADMINISTRATIVE	113.38%	84.09%	84.83%	81.13%	75.48%	61.17%	65.58%
Provision for Loan Loss	<u>14.30%</u>	<u>3.69%</u>	<u>3.48%</u>	<u>1.41%</u>	<u>2.47%</u>	<u>3.47%</u>	<u>3.19%</u>
TOTAL OPERATING EXP.	127.69%	87.78%	88.31%	82.53%	77.95%	64.63%	68.76%
COST OF FUNDS							
Interest on Borrowed Funds	0.00%	0.05%	0.01%	0.10%	0.18%	1.12%	0.86%
Dividends on Savings	<u>47.24%</u>	<u>7.47%</u>	<u>5.08%</u>	<u>6.31%</u>	<u>7.39%</u>	<u>9.36%</u>	<u>8.73%</u>
TOTAL COST OF FUNDS	47.24%	7.52%	5.09%	6.41%	7.57%	10.48%	9.58%
NET INCOME FROM OPERATIONS	-74.93%	4.70%	6.59%	11.06%	14.48%	24.89%	21.65%
NON-OPERATING GAIN/LOSS	<u>13.95%</u>	<u>1.15%</u>	<u>0.23%</u>	<u>0.47%</u>	<u>0.02%</u>	<u>0.19%</u>	<u>0.18%</u>
NET INCOME	-60.98%	5.85%	6.82%	11.53%	14.50%	25.08%	21.83%
NCUA EXPENSES	0.00%	0.00%	0.00%	0.00%	0.06%	0.06%	0.06%
ADJUSTED NET INCOME (LOSS)	-60.98%	5.85%	6.82%	11.53%	14.56%	25.14%	21.89%

*Small statistical errors may exist due to rounding.
First Quarter Office of Credit Unions Bulletin, Page 8*

**ANALYSIS OF INCOME AND EXPENSES TO AVERAGE ASSETS
FOR THE PERIOD ENDING MARCH 31, 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	13	15	44	23	29	13	137
<u>OPERATING INCOME</u>							
Interest on Loans	2.98%	2.74%	2.80%	2.88%	3.17%	3.25%	3.20%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income on Investments	0.28%	0.43%	0.44%	0.38%	0.23%	0.16%	0.20%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	0.05%	0.21%	0.50%	0.47%	0.55%	0.53%	0.53%
Other Operating Income	<u>0.07%</u>	<u>0.06%</u>	<u>0.40%</u>	<u>0.37%</u>	<u>0.64%</u>	<u>0.84%</u>	<u>0.76%</u>
TOTAL INCOME	3.38%	3.44%	4.14%	4.10%	4.59%	4.79%	4.69%
<u>OPERATING EXPENSES</u>							
Employee Costs	2.06%	1.59%	1.74%	1.73%	1.87%	1.56%	1.64%
Travel and Conference	0.03%	0.03%	0.04%	0.03%	0.05%	0.03%	0.03%
Office Occupancy	0.11%	0.15%	0.26%	0.24%	0.26%	0.19%	0.21%
General Operations	1.00%	0.58%	0.59%	0.69%	0.65%	0.50%	0.54%
Education and Promotion	0.04%	0.02%	0.09%	0.09%	0.11%	0.11%	0.11%
Loan Servicing	0.11%	0.07%	0.20%	0.14%	0.23%	0.28%	0.26%
Professional Services	0.25%	0.27%	0.45%	0.31%	0.21%	0.16%	0.19%
Member Insurance	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.01%
Operating Fees	0.08%	0.06%	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>0.08%</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	3.84%	2.89%	3.51%	3.32%	3.47%	2.93%	3.07%
Provision for Loan Loss	<u>0.48%</u>	<u>0.13%</u>	<u>0.14%</u>	<u>0.06%</u>	<u>0.11%</u>	<u>0.17%</u>	<u>0.15%</u>
TOTAL OPERATING EXP.	4.32%	3.02%	3.65%	3.38%	3.58%	3.09%	3.22%
<u>COST OF FUNDS</u>							
Interest on Borrowed Funds	0.00%	0.00%	0.00%	0.00%	0.01%	0.05%	0.04%
Dividends on Savings	<u>1.60%</u>	<u>0.26%</u>	<u>0.21%</u>	<u>0.26%</u>	<u>0.34%</u>	<u>0.45%</u>	<u>0.41%</u>
TOTAL COST OF FUNDS	1.60%	0.26%	0.21%	0.26%	0.35%	0.50%	0.45%
<u>NET INCOME FROM OPERATIONS</u>	-2.54%	0.16%	0.27%	0.45%	0.67%	1.19%	1.01%
NON-OPERATING GAIN/LOSS	<u>0.47%</u>	<u>0.04%</u>	<u>0.01%</u>	<u>0.02%</u>	<u>0.00%</u>	<u>0.01%</u>	<u>0.01%</u>
<u>NET INCOME</u>	-2.06%	0.20%	0.28%	0.47%	0.67%	1.20%	1.02%
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>
<u>ADJUSTED NET INCOME (LOSS)</u>	-2.06%	0.20%	0.28%	0.47%	0.67%	1.20%	1.03%

*Small statistical errors may exist due to rounding.
First Quarter Office of Credit Unions Bulletin, Page 9*

**LOAN DELINQUENCY
PERIOD ENDING MARCH 31, 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	13	15	44	23	29	13	137
<u>Loan Delinquency Ratios</u>							
2 - 6 Months Delinquent	1.32%	1.02%	0.37%	0.45%	0.38%	0.39%	0.39%
6 - 12 Months Delinquent	0.49%	0.49%	0.20%	0.18%	0.20%	0.14%	0.16%
Over 12 Months Delinquent	<u>0.03%</u>	<u>0.47%</u>	<u>0.14%</u>	<u>0.10%</u>	<u>0.10%</u>	<u>0.05%</u>	<u>0.06%</u>
Total Delinquent Loans	1.85%	1.97%	0.71%	0.73%	0.68%	0.58%	0.61%
<u>Loan Loss Ratio</u>	0.05%	0.33%	0.22%	0.03%	0.21%	0.28%	0.25%

**ANALYSIS OF LOANS BY TYPE
PERIOD ENDING MARCH 31, 2017**

Number of Credit Unions	13	15	44	23	29	13	137
<u>Loan Types</u>							
Credit Card Loans	0.50%	1.24%	2.92%	2.02%	2.08%	3.98%	3.50%
Unsecured Loans	11.63%	9.32%	3.39%	1.74%	2.16%	3.29%	3.02%
Non-Federally Guaranteed Student Loans	0.00%	0.00%	0.43%	0.14%	0.12%	1.56%	1.20%
New Auto Loans	25.55%	19.38%	9.60%	5.28%	6.52%	5.64%	5.92%
Used Auto Loans	44.93%	45.45%	30.68%	20.77%	21.77%	18.89%	19.89%
First Mortgages	8.33%	6.20%	39.52%	56.92%	50.73%	51.10%	50.89%
Other Real Estate	1.42%	6.75%	7.27%	6.81%	7.94%	8.43%	8.23%
Leases	0.00%	0.00%	0.00%	0.00%	0.00%	0.18%	0.13%
All Other Loans	<u>7.64%</u>	<u>11.66%</u>	<u>6.18%</u>	<u>6.32%</u>	<u>8.68%</u>	<u>6.93%</u>	<u>7.21%</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%	0.73%	2.23%	3.75%	4.84%	3.04%	3.38%
First Mortgage - Fixed - 15 yrs. Or less	0.00%	1.52%	12.89%	12.54%	11.70%	12.84%	12.60%
First Mortgage - Balloon/Hybrid - > 5 yrs.	4.34%	0.64%	3.34%	6.11%	8.27%	10.29%	9.51%
First Mortgage - Balloon/Hybrid - 5 yrs. Or less	3.99%	3.31%	12.30%	21.01%	11.80%	15.38%	14.86%
First Mortgage - Other Fixed Rate	0.00%	0.00%	0.27%	0.03%	0.06%	0.17%	0.14%
First Mortgage - Adjustable - 1 year or less	0.00%	0.00%	1.90%	2.86%	3.51%	3.25%	3.24%
First Mortgage - Adjustable - > 1 year	0.00%	0.00%	6.60%	10.62%	10.57%	6.13%	7.16%
Other - Closed End Fixed	1.42%	2.49%	3.16%	2.60%	2.11%	1.65%	1.82%
Other - Closed End Adjustable	0.00%	0.04%	0.53%	0.59%	0.78%	0.74%	0.73%
Other - Open End Adjustable	0.00%	4.22%	3.58%	3.43%	4.95%	6.03%	5.64%
Other - Open-End Fixed	0.00%	0.00%	0.00%	0.19%	0.10%	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)	9.75%	12.95%	46.79%	63.73%	58.67%	59.53%	59.12%
Total Real Estate (As a percent of assets)	5.60%	7.13%	28.37%	42.66%	43.11%	46.59%	44.98%

*This page does not include loans Held for Sale

**ANALYSIS OF SAVINGS BY TYPE
PERIOD ENDING MARCH 31, 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	13	15	44	23	29	13	137
Share Drafts	0.56%	5.55%	17.04%	19.36%	20.00%	15.40%	16.55%
Regular Shares	85.59%	74.88%	50.35%	40.26%	38.82%	29.95%	33.07%
Money Market Shares	2.43%	0.00%	14.02%	18.11%	17.10%	27.78%	24.62%
Share Certificates	11.41%	18.12%	12.06%	13.77%	15.81%	18.99%	17.84%
IRA Accounts	0.00%	1.37%	4.87%	7.61%	6.51%	5.88%	6.05%
All Other Shares	<u>0.01%</u>	<u>0.07%</u>	<u>1.66%</u>	<u>0.89%</u>	<u>1.77%</u>	<u>2.00%</u>	<u>1.88%</u>
Total Shares	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**ANALYSIS OF INVESTMENTS BY TYPE
PERIOD ENDING MARCH 31, 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	13	15	44	23	29	13	137
Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Available for Sale Securities	0.00%	0.00%	3.77%	22.32%	36.59%	65.10%	47.88%
Held-to-Maturity Securities	0.00%	0.79%	9.36%	7.55%	12.93%	3.42%	6.65%
Commercial Banks, S&L's, and Mutual Savings Banks	55.25%	57.91%	54.87%	40.83%	30.22%	9.51%	22.12%
Credit Unions	21.84%	25.09%	11.97%	6.25%	5.76%	1.22%	3.96%
Corporate Credit Unions	22.91%	16.22%	16.47%	17.22%	10.03%	14.42%	13.85%
Other Investments	<u>0.00%</u>	<u>0.00%</u>	<u>3.55%</u>	<u>5.84%</u>	<u>4.48%</u>	<u>6.33%</u>	<u>5.54%</u>
Total Investments	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%