



2018 FIRST QUARTER CREDIT UNION BULLETIN

This bulletin highlights the 2018 first quarter financial trends for Wisconsin's 128 state-chartered credit unions. The analysis is based on data compiled from the March 2018 5300 call reports. This information is provided to keep you informed of current conditions and trends in the Wisconsin credit union industry.

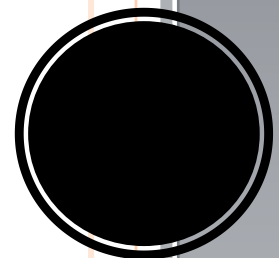
Total assets increased to \$35.3 billion, up from \$34.2 billion as of yearend 2017. The net worth ratio remained strong at 11.20%. Net income was over \$103 million resulting in a return on average assets ratio of 1.19%.

Loans outstanding grew by \$804 million since yearend 2017 and savings grew by \$1.2 billion resulting in a loan to savings ratio of 93.70%. The delinquency ratio was 0.60% compared to 0.70% as of December 31, 2017.

The financial indicators for Wisconsin's state-chartered credit unions exhibit sound financial performance through March 31, 2018.

Additional information about consolidations that occurred in the first quarter of 2018 is included in this bulletin.

Kim Santos, Director
Office of Credit Unions



2018 CONSOLIDATIONS

Consolidation Date	Absorbed Credit Union	Location	Continuing Credit Union	Location
1/1/2018	County	Kenosha	Blackhawk Community	Janesville

**COMPARISON STATEMENTS OF CONDITION
OF WISCONSIN CREDIT UNIONS
MARCH 31, 2018 and DECEMBER 31, 2017**

	<u>March 31, 2018</u>		<u>December 31, 2017</u>		Increase or Decrease	% Change
<u>Number of Credit Unions</u>	128		129		-1	-0.8%
	<u>AMOUNT</u>	<u>% OF ASSETS</u>	<u>AMOUNT</u>	<u>% OF ASSETS</u>		
<u>ASSETS</u>						
Personal Loans	11,688,975,384	33.1%	11,144,514,065	32.6%	544,461,319	4.9%
Real Estate Loans	<u>16,323,473,862</u>	46.2%	<u>16,063,889,566</u>	47.0%	<u>259,584,296</u>	1.6%
Total Loans	28,012,449,246	79.3%	27,208,403,631	79.7%	804,045,615	3.0%
Allowance for Loan Losses	<u>165,707,453</u>	0.5%	<u>163,586,899</u>	0.5%	<u>2,120,554</u>	1.3%
Net Loans	27,846,741,793	78.8%	27,044,816,732	79.2%	801,925,061	3.0%
Cash	2,677,082,098	7.6%	1,793,626,352	5.3%	883,455,746	49.3%
Investments	3,084,095,658	8.7%	3,216,644,338	9.4%	-132,548,680	-4.1%
Fixed Assets	754,934,959	2.1%	745,733,020	2.2%	9,201,939	1.2%
Other Assets	<u>965,293,999</u>	2.7%	<u>1,356,420,595</u>	4.0%	<u>-391,126,596</u>	-28.8%
TOTAL ASSETS	<u><u>35,328,148,507</u></u>	100.0%	<u><u>34,157,241,037</u></u>	100.0%	<u><u>1,170,907,470</u></u>	3.4%
<u>LIABILITIES</u>						
Regular Shares	10,014,515,925	28.3%	9,375,740,569	27.4%	638,775,356	6.8%
Share Drafts	5,026,870,389	14.2%	4,765,925,322	14.0%	260,945,067	5.5%
Other Shares & Deposits	<u>14,853,488,848</u>	42.0%	<u>14,516,206,819</u>	42.5%	<u>337,282,029</u>	2.3%
Total Savings	29,894,875,162	84.6%	28,657,872,710	83.9%	1,237,002,452	4.3%
Notes and Accounts Pay.	1,497,523,715	4.2%	1,654,772,851	4.8%	-157,249,136	-9.5%
Regular Reserve	1,044,897,083	3.0%	1,046,068,065	3.1%	-1,170,982	-0.1%
Other Reserves	<u>2,890,852,547</u>	8.2%	<u>2,798,527,411</u>	8.2%	<u>92,325,136</u>	3.3%
TOTAL LIABILITIES	<u><u>35,328,148,507</u></u>	100.0%	<u><u>34,157,241,037</u></u>	100.0%	<u><u>1,170,907,470</u></u>	3.4%

**STATEMENT OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIOD ENDING MARCH 31, 2018**

INCOME	<u>AMOUNT</u>	<u>% OF GROSS INCOME</u>	<u>% OF AVERAGE ASSETS</u>
Interest on Loans	299,260,747	68.07%	3.45%
Less: Interest Refunds	<u>303,062</u>	0.07%	0.00%
Net Interest Income	298,957,685	68.00%	3.44%
Income on Investments	19,355,727	4.40%	0.22%
Other Income	<u>121,326,160</u>	27.60%	1.40%
TOTAL OPERATING INCOME	439,639,572	100.00%	5.06%
ADMINISTRATIVE EXPENSES			
Employee Costs	139,846,541	31.81%	1.61%
Travel and Conference	2,882,677	0.66%	0.03%
Office Occupancy	18,088,508	4.11%	0.21%
General Operations	47,137,572	10.72%	0.54%
Education and Promotion	10,362,794	2.36%	0.12%
Loan Servicing	26,612,008	6.05%	0.31%
Professional Services	17,546,305	3.99%	0.20%
Member Insurance	-138,290	-0.03%	0.00%
Operating Fees	975,816	0.22%	0.01%
Other Operational Expenses	<u>6,728,063</u>	1.53%	0.08%
TOTAL ADMINISTRATIVE	270,041,994	61.42%	3.11%
Provision for Loan Loss	<u>19,254,246</u>	4.38%	0.22%
TOTAL OPERATING EXPENSES	289,296,240	65.80%	3.33%
Dividends Paid on Savings	42,919,730	9.76%	0.49%
Interest on Borrowed Funds	<u>5,527,009</u>	1.26%	0.06%
TOTAL COST OF FUNDS	48,446,739	11.02%	0.56%
TOTAL EXPENSES	337,742,979	76.82%	3.89%
NET OPERATING INCOME	101,896,593	23.18%	1.17%
NON-OPERATING GAIN/LOSS	<u>1,499,934</u>	0.34%	0.02%
NET INCOME	103,396,527	23.52%	1.19%

Small statistical errors may exist due to rounding.

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**COMPARISON STATEMENTS OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIODS ENDING MARCH 31, 2018 AND MARCH 31, 2017**

	2018	% OF AVERAGE	2017	% OF AVERAGE
	<u>AMOUNT</u>	<u>ASSETS</u>	<u>AMOUNT</u>	<u>ASSETS</u>
INCOME				
Interest on Loans	299,260,747	3.45%	256,615,612	3.20%
Less: Interest Refunds	<u>303,062</u>	<u>0.00%</u>	<u>287,272</u>	<u>0.00%</u>
Net Interest Income	298,957,685	3.44%	256,328,340	3.20%
Income on Investments	19,355,727	0.22%	15,963,852	0.20%
Other Income	<u>121,326,160</u>	<u>1.40%</u>	<u>103,556,197</u>	<u>1.29%</u>
TOTAL OPERATING INCOME	439,639,572	5.06%	375,848,389	4.69%
ADMINISTRATIVE EXPENSES				
Employee Costs	139,846,541	1.61%	131,138,085	1.64%
Travel and Conference	2,882,677	0.03%	2,700,747	0.03%
Office Occupancy	18,088,508	0.21%	16,774,152	0.21%
General Operations	47,137,572	0.54%	43,374,183	0.54%
Education and Promotion	10,362,794	0.12%	8,599,685	0.11%
Loan Servicing	26,612,008	0.31%	20,649,313	0.26%
Professional Services	17,546,305	0.20%	15,100,455	0.19%
Member Insurance	-138,290	0.00%	745,416	0.01%
Operating Fees	975,816	0.01%	987,567	0.01%
Other Operational Expenses	<u>6,728,063</u>	<u>0.08%</u>	<u>6,397,229</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	270,041,994	3.11%	246,466,832	3.07%
Provision for Loan Loss	<u>19,254,246</u>	<u>0.22%</u>	<u>11,973,128</u>	<u>0.15%</u>
TOTAL OPERATING EXPENSES	289,296,240	3.33%	258,439,960	3.22%
COST OF ACQUISITION OF FUNDS				
Dividends Paid on Savings	42,919,730	0.49%	32,795,476	0.41%
Interest on Borrowed Funds	<u>5,527,009</u>	<u>0.06%</u>	<u>3,226,916</u>	<u>0.04%</u>
TOTAL COST OF FUNDS	<u>48,446,739</u>	<u>0.56%</u>	<u>36,022,392</u>	<u>0.45%</u>
TOTAL EXPENSES	337,742,979	3.89%	294,462,352	3.67%
NET OPERATING INCOME	101,896,593	1.17%	81,386,037	1.01%
NON-OPERATING GAIN/LOSS	<u>1,499,934</u>	<u>0.02%</u>	<u>667,689</u>	<u>0.01%</u>
NET INCOME	103,396,527	1.19%	82,053,726	1.02%

**SIGNIFICANT OPERATIONAL RATIOS
FOR ALL WISCONSIN CREDIT UNIONS
2013-2018**

	2013	2014	2015	2016	2017	2018
Number of Credit Unions	171	160	150	143	129	128
<u>CAPITAL ADEQUACY</u>						
Net Worth/Total Assets	10.65%	10.88%	10.97%	11.08%	11.28%	11.20%
Total Delinquency/Net Worth	7.70%	6.83%	5.71%	5.25%	4.91%	4.22%
Solvency Evaluation	112.23%	112.68%	112.68%	112.98%	113.42%	113.17%
Classified Assets/Net Worth	7.44%	6.25%	5.26%	4.57%	4.25%	4.19%
<u>ASSET QUALITY</u>						
Delinquent Loans/Loans	1.10%	0.97%	0.81%	0.75%	0.70%	0.60%
Net Charge Offs/Avg. Loans	0.43%	0.32%	0.26%	0.25%	0.25%	0.25%
<u>EARNINGS (to Average Assets)</u>						
Return on Average Assets	0.96%	0.82%	1.02%	1.09%	1.14%	1.19%
Net Operating Expense	2.61%	2.57%	2.62%	2.60%	2.58%	2.58%
Fixed Assets+FRA's**/Assets	2.66%	2.62%	2.45%	2.31%	2.23%	2.18%
Gross Income	5.04%	4.71%	4.80%	4.89%	4.96%	5.06%
Cost of Funds	0.48%	0.41%	0.42%	0.45%	0.50%	0.56%
Operating Exp. (less PLL)	3.32%	3.18%	3.22%	3.19%	3.14%	3.11%
Net Interest Margin	3.07%	3.00%	3.00%	3.00%	3.10%	3.11%
PLL	0.30%	0.20%	0.16%	0.17%	0.22%	0.22%
<u>ASSET-LIABILITY MANAGEMENT</u>						
Net Long Term Assets/Assets	33.07%	33.34%	33.89%	33.41%	34.51%	34.57%
Shares/Savings+Borrowings	27.44%	29.34%	30.70%	31.63%	31.98%	32.90%
Loans/Savings	86.23%	89.47%	89.85%	91.21%	94.94%	93.70%
Loans/Assets	74.27%	76.90%	77.10%	77.59%	79.66%	79.29%
Cash + ST Invest./Assets	12.16%	9.84%	10.69%	10.85%	9.16%	11.43%
<u>OTHER RATIOS</u>						
Savings Growth	3.95%	7.15%	9.22%	8.40%	7.11%	17.27%
Net Worth Growth	9.12%	9.84%	10.24%	10.47%	10.53%	10.93%
Loan Growth	7.20%	11.17%	9.68%	10.01%	11.49%	11.82%
Asset Growth	5.05%	7.39%	9.39%	9.35%	8.60%	13.71%
Investments/Assets	15.18%	12.90%	11.80%	10.54%	9.42%	8.73%
Employee Cost/Gross Inc.	33.98%	35.04%	35.04%	34.34%	32.76%	31.81%
Employee Cost/ Avg. Assets	1.71%	1.65%	1.68%	1.68%	1.63%	1.61%
Average Loan Balance	\$11,820	\$12,156	\$12,577	\$13,079	\$14,104	\$14,501
Average Savings Balance	\$4,543	\$4,585	\$4,786	\$4,900	\$4,997	\$5,145

**Foreclosed and Repossessed Assets

**SIGNIFICANT OPERATIONAL RATIOS
FOR THE PERIOD ENDING MARCH 31, 2018**

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	10	13	41	21	29	14	128
<u>CAPITAL ADEQUACY</u>							
Net Worth/Total Assets	19.35%	13.57%	13.14%	11.66%	11.72%	10.97%	11.20%
Net Worth/PCA Optional Total Assets	19.35%	13.57%	13.16%	11.68%	11.76%	11.03%	11.26%
Total Delinquency/Net Worth	4.79%	7.66%	3.37%	3.93%	3.83%	4.37%	4.22%
Solvency Evaluation	124.05%	115.79%	115.20%	113.12%	113.39%	113.02%	113.17%
Classified Assets/Net Worth	5.03%	5.49%	3.92%	3.79%	3.61%	4.36%	4.19%
<u>ASSET QUALITY</u>							
Delinquent Loans/Loans	1.50%	1.62%	0.70%	0.68%	0.59%	0.59%	0.60%
Net Charge Offs/Avg. Loans	0.28%	-0.04%	0.18%	0.28%	0.17%	0.27%	0.25%
Fair Value/Amortized Cost for HTM	N/A	N/A	99.11%	99.81%	98.39%	99.53%	98.96%
Accumulated Unrealized Gains or Losses on AFS/Amortized Cost AFS	N/A	N/A	-2.34%	-2.14%	-0.92%	-1.43%	-1.41%
Delinquent Loans/Assets	0.93%	1.04%	0.44%	0.46%	0.45%	0.48%	0.47%
<u>EARNINGS (to Average Assets)</u>							
Return on Average Assets	-3.46%	0.56%	0.51%	0.59%	0.92%	1.32%	1.19%
Gross Income	3.68%	3.97%	4.42%	4.41%	4.91%	5.16%	5.06%
Yield on Average Loans	5.14%	4.95%	4.56%	4.33%	4.34%	4.32%	4.33%
Yield on Average Investments	1.26%	1.19%	1.55%	1.65%	1.58%	1.46%	1.50%
Fee & Other Op. Income	0.08%	0.34%	0.99%	1.01%	1.31%	1.46%	1.40%
Cost of Funds	3.87%	0.28%	0.25%	0.28%	0.43%	0.62%	0.56%
Net Margin	-0.19%	3.68%	4.17%	4.13%	4.47%	4.55%	4.50%
Operating Exp. (less PLL)	4.05%	3.00%	3.55%	3.47%	3.41%	3.00%	3.11%
PLL	0.09%	0.13%	0.13%	0.09%	0.17%	0.25%	0.22%
Net Interest Margin	-0.27%	3.34%	3.18%	3.12%	3.16%	3.09%	3.11%
Operating Exp./Gross Income	109.99%	75.54%	80.24%	78.72%	69.41%	58.09%	61.42%
Fixed Assets+FRA's**/Assets	0.15%	0.83%	1.76%	2.69%	2.82%	2.03%	2.18%
Net Operating Expense	4.02%	2.78%	3.01%	2.96%	2.86%	2.48%	2.58%
<u>ASSET-LIABILITY MANAGEMENT</u>							
Net Long Term Assets/Assets	7.50%	3.14%	19.49%	27.05%	32.73%	36.11%	34.57%
Shares/Savings+Borrowings	81.78%	75.28%	50.53%	43.62%	36.78%	30.58%	32.90%
Loans/Savings	77.01%	74.69%	73.56%	77.01%	88.49%	96.83%	93.70%
Loans/Assets	61.96%	64.21%	63.31%	67.40%	76.31%	81.35%	79.29%
Cash + ST Invest./Assets	27.39%	29.45%	21.56%	16.87%	11.49%	10.65%	11.43%
Shares, Deposits & Borrowings/Earning Assets	80.87%	88.17%	89.76%	93.18%	93.20%	92.08%	92.24%
Shares + Drafts/Savings+Borrowings	83.39%	80.94%	67.76%	63.68%	55.67%	45.24%	48.59%
Borrowings/Shares & Net Worth	0.00%	0.13%	0.17%	0.20%	1.06%	3.94%	3.13%
<u>OTHER RATIOS</u>							
Net Worth Growth	-16.70%	4.11%	3.90%	4.62%	7.93%	12.46%	10.93%
Savings Growth	-7.08%	6.30%	11.18%	9.33%	15.04%	18.58%	17.27%
Loan Growth	9.22%	10.19%	-1.86%	-3.35%	3.51%	14.90%	11.82%
Asset Growth	-9.28%	5.47%	9.04%	6.39%	11.30%	14.93%	13.71%
Investment Growth	-37.56%	-103.83%	10.76%	11.99%	72.11%	76.17%	64.44%
Investments/Assets	18.33%	22.07%	24.73%	18.84%	11.13%	6.91%	8.73%
Employee Cost/Gross Inc.	62.63%	39.45%	39.27%	39.79%	37.55%	29.85%	31.81%
Employee Cost/ Avg. Assets	2.31%	1.56%	1.74%	1.75%	1.84%	1.54%	1.61%
Average Loan Balance	\$8,043	\$8,835	\$11,160	\$14,620	\$16,707	\$14,233	\$14,501
Average Savings Balance	\$2,130	\$3,825	\$4,088	\$4,519	\$4,992	\$5,290	\$5,145

**Foreclosed and Repossessed Assets

Small statistical errors may exist due to rounding.

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**ANALYSIS OF INCOME AND EXPENSES TO GROSS INCOME
FOR THE PERIOD ENDING MARCH 31, 2018**

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	10	13	41	21	29	14	128
<u>OPERATING INCOME</u>							
Interest on Loans	85.17%	79.61%	66.18%	67.14%	68.12%	68.15%	68.07%
Less: Interest Refunds	0.67%	0.00%	0.00%	0.06%	0.01%	0.08%	0.07%
Income on Investments	13.37%	11.89%	11.49%	9.91%	5.21%	3.69%	4.40%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%
Fee Income	0.68%	5.32%	12.03%	11.64%	11.10%	10.17%	10.42%
Other Operating Income	<u>1.45%</u>	<u>3.18%</u>	<u>10.31%</u>	<u>11.37%</u>	<u>15.57%</u>	<u>18.09%</u>	<u>17.18%</u>
TOTAL INCOME	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>OPERATING EXPENSES</u>							
Employee Costs	62.63%	39.45%	39.27%	39.79%	37.55%	29.85%	31.81%
Travel and Conference	4.87%	0.66%	0.97%	0.85%	0.92%	0.58%	0.66%
Office Occupancy	3.10%	4.22%	5.69%	6.17%	4.94%	3.77%	4.11%
General Operations	22.82%	15.05%	13.75%	15.03%	12.87%	9.91%	10.72%
Education and Promotion	0.57%	0.48%	1.81%	2.09%	2.02%	2.47%	2.36%
Loan Servicing	3.40%	2.26%	4.88%	3.85%	4.38%	6.58%	6.05%
Professional Services	2.95%	7.58%	10.65%	8.84%	5.40%	3.20%	3.99%
Member Insurance	0.08%	0.00%	0.05%	0.02%	-0.22%	0.01%	-0.03%
Operating Fees	2.98%	1.75%	0.69%	0.46%	0.28%	0.18%	0.22%
Miscellaneous	<u>6.59%</u>	<u>4.09%</u>	<u>2.48%</u>	<u>1.62%</u>	<u>1.28%</u>	<u>1.54%</u>	<u>1.53%</u>
TOTAL ADMINISTRATIVE	109.99%	75.54%	80.24%	78.72%	69.41%	58.09%	61.42%
Provision for Loan Loss	<u>2.50%</u>	<u>3.26%</u>	<u>2.91%</u>	<u>2.14%</u>	<u>3.45%</u>	<u>4.75%</u>	<u>4.38%</u>
TOTAL OPERATING EXP.	112.49%	78.80%	83.15%	80.85%	72.87%	62.85%	65.80%
<u>COST OF FUNDS</u>							
Interest on Borrowed Funds	0.00%	0.13%	0.24%	0.18%	0.46%	1.53%	1.26%
Dividends on Savings	<u>105.23%</u>	<u>7.03%</u>	<u>5.35%</u>	<u>6.13%</u>	<u>8.38%</u>	<u>10.39%</u>	<u>9.76%</u>
TOTAL COST OF FUNDS	105.23%	7.16%	5.60%	6.31%	8.85%	11.91%	11.02%
<u>NET INCOME FROM OPERATIONS</u>	-117.72%	14.03%	11.26%	12.84%	18.29%	25.24%	23.18%
NON-OPERATING GAIN/LOSS	<u>23.64%</u>	<u>-0.01%</u>	<u>0.38%</u>	<u>0.44%</u>	<u>0.44%</u>	<u>0.31%</u>	<u>0.34%</u>
<u>NET INCOME</u>	-94.08%	14.02%	11.63%	13.28%	18.73%	25.55%	23.52%

**ANALYSIS OF INCOME AND EXPENSES TO AVERAGE ASSETS
FOR THE PERIOD ENDING MARCH 31, 2018**

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	10	13	41	21	29	14	128
<u>OPERATING INCOME</u>							
Interest on Loans	3.14%	3.16%	2.92%	2.96%	3.34%	3.52%	3.45%
Less: Interest Refunds	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income on Investments	0.49%	0.47%	0.51%	0.44%	0.26%	0.19%	0.22%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	0.03%	0.21%	0.53%	0.51%	0.54%	0.53%	0.53%
Other Operating Income	<u>0.05%</u>	<u>0.13%</u>	<u>0.46%</u>	<u>0.50%</u>	<u>0.76%</u>	<u>0.93%</u>	<u>0.87%</u>
TOTAL INCOME	3.68%	3.97%	4.42%	4.41%	4.91%	5.16%	5.06%
<u>OPERATING EXPENSES</u>							
Employee Costs	2.31%	1.56%	1.74%	1.75%	1.84%	1.54%	1.61%
Travel and Conference	0.18%	0.03%	0.04%	0.04%	0.04%	0.03%	0.03%
Office Occupancy	0.11%	0.17%	0.25%	0.27%	0.24%	0.19%	0.21%
General Operations	0.84%	0.60%	0.61%	0.66%	0.63%	0.51%	0.54%
Education and Promotion	0.02%	0.02%	0.08%	0.09%	0.10%	0.13%	0.12%
Loan Servicing	0.13%	0.09%	0.22%	0.17%	0.21%	0.34%	0.31%
Professional Services	0.11%	0.30%	0.47%	0.39%	0.27%	0.17%	0.20%
Member Insurance	0.00%	0.00%	0.00%	0.00%	-0.01%	0.00%	0.00%
Operating Fees	0.11%	0.07%	0.03%	0.02%	0.01%	0.01%	0.01%
Miscellaneous	<u>0.24%</u>	<u>0.16%</u>	<u>0.11%</u>	<u>0.07%</u>	<u>0.06%</u>	<u>0.08%</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	4.05%	3.00%	3.55%	3.47%	3.41%	3.00%	3.11%
Provision for Loan Loss	<u>0.09%</u>	<u>0.13%</u>	<u>0.13%</u>	<u>0.09%</u>	<u>0.17%</u>	<u>0.25%</u>	<u>0.22%</u>
TOTAL OPERATING EXP.	4.14%	3.13%	3.67%	3.56%	3.58%	3.25%	3.33%
<u>COST OF FUNDS</u>							
Interest on Borrowed Funds	0.00%	0.01%	0.01%	0.01%	0.02%	0.08%	0.06%
Dividends on Savings	<u>3.87%</u>	<u>0.28%</u>	<u>0.24%</u>	<u>0.27%</u>	<u>0.41%</u>	<u>0.54%</u>	<u>0.49%</u>
TOTAL COST OF FUNDS	3.87%	0.28%	0.25%	0.28%	0.43%	0.62%	0.56%
<u>NET INCOME FROM OPERATIONS</u>	<u>-4.33%</u>	<u>0.56%</u>	<u>0.50%</u>	<u>0.57%</u>	<u>0.90%</u>	<u>1.30%</u>	<u>1.17%</u>
NON-OPERATING GAIN/LOSS	<u>0.87%</u>	<u>0.00%</u>	<u>0.02%</u>	<u>0.02%</u>	<u>0.02%</u>	<u>0.02%</u>	<u>0.02%</u>
<u>NET INCOME</u>	<u>-3.46%</u>	<u>0.56%</u>	<u>0.51%</u>	<u>0.59%</u>	<u>0.92%</u>	<u>1.32%</u>	<u>1.19%</u>

**LOAN DELINQUENCY
PERIOD ENDING MARCH 31, 2018**

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	10	13	41	21	29	14	128
<u>Loan Delinquency Ratios</u>							
2 - 6 Months Delinquent	1.00%	0.60%	0.43%	0.39%	0.35%	0.42%	0.41%
6 - 12 Months Delinquent	0.47%	0.50%	0.20%	0.13%	0.16%	0.12%	0.13%
Over 12 Months Delinquent	<u>0.03%</u>	<u>0.51%</u>	<u>0.07%</u>	<u>0.15%</u>	<u>0.08%</u>	<u>0.04%</u>	<u>0.06%</u>
Total Delinquent Loans	1.50%	1.62%	0.70%	0.68%	0.59%	0.59%	0.60%
<u>Loan Loss Ratio</u>	0.28%	-0.04%	0.18%	0.28%	0.17%	0.27%	0.25%

**ANALYSIS OF LOANS BY TYPE
PERIOD ENDING MARCH 31, 2018**

Number of Credit Unions	10	13	41	21	29	14	128
<u>Loan Types</u>							
Unsecured Credit Card Loans	0.57%	1.30%	2.75%	1.88%	1.83%	3.76%	3.34%
Non-Federally Guaranteed Student Loans	0.00%	0.00%	0.48%	0.17%	0.14%	1.57%	1.25%
All Other Unsecured Loans/Lines of Credit	8.32%	10.45%	3.43%	2.20%	1.76%	2.71%	2.56%
New Vehicle Loans	25.19%	16.99%	10.08%	5.83%	6.97%	5.94%	6.23%
Used Vehicle Loans	42.26%	45.55%	31.75%	22.37%	22.38%	20.56%	21.24%
Leases Receivable	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%	0.14%
All Other Secured Non-Real Estate Loans/LOC	10.00%	11.86%	5.72%	5.89%	6.96%	5.73%	5.95%
Secured by 1st Lien 1-4 Family Residential Propertie	11.88%	8.87%	37.51%	51.11%	44.26%	38.55%	39.90%
Secured by Junior Lien 1-4 Family Residential	1.79%	4.73%	5.52%	5.04%	5.20%	7.47%	6.95%
All Other Real Estate/Lines of Credit	0.00%	0.09%	1.32%	0.31%	1.12%	0.41%	0.54%
Commercial Loans/LOC Real Estate Secured	0.00%	0.00%	1.34%	4.73%	7.45%	12.24%	10.88%
Commercial Loans/LOC Not Real Estate Secured	<u>0.00%</u>	<u>0.16%</u>	<u>0.10%</u>	<u>0.47%</u>	<u>1.92%</u>	<u>0.87%</u>	<u>1.02%</u>
Total Loans	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Real Estate Loan Detail

(As a percent of loans)

First Mortgage - Fixed > 15 yrs.	0.00%	0.00%	2.03%	2.84%	4.96%	3.54%	3.71%
First Mortgage - Fixed - 15 yrs. Or less	0.00%	2.15%	13.97%	12.42%	11.58%	11.49%	11.58%
First Mortgage - Balloon/Hybrid - > 5 yrs.	7.58%	1.80%	2.18%	7.00%	7.70%	12.28%	11.06%
First Mortgage - Balloon/Hybrid - 5 yrs. Or less	4.30%	2.59%	11.31%	20.01%	12.19%	15.51%	14.99%
First Mortgage - Other Fixed Rate	0.00%	0.00%	0.29%	0.32%	0.35%	0.15%	0.19%
First Mortgage - Adjustable - 1 year or less	0.00%	0.00%	0.65%	2.94%	2.99%	2.09%	2.23%
First Mortgage - Adjustable - > 1 year	0.00%	0.00%	8.40%	10.17%	11.31%	5.44%	6.67%
Other - Closed End Fixed	1.79%	1.64%	2.94%	2.46%	2.07%	1.63%	1.76%
Other - Closed End Adjustable	0.00%	0.28%	0.72%	0.55%	0.64%	0.66%	0.65%
Other - Open End Adjustable	0.00%	5.24%	3.19%	2.24%	4.09%	5.87%	5.37%
Other - Open-End Fixed	0.00%	0.00%	0.00%	0.23%	0.15%	0.01%	0.04%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Real Estate (As a percent of loans)	13.67%	13.69%	45.69%	61.19%	58.03%	58.67%	58.27%
Total Real Estate (As a percent of assets)	8.47%	8.79%	28.93%	41.25%	44.28%	47.73%	46.21%

**This page does not include loans Held for Sale*

Small statistical errors may exist due to rounding.

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**ANALYSIS OF SAVINGS BY TYPE
PERIOD ENDING MARCH 31, 2018**

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	10	13	41	21	29	14	128
Share Drafts	1.63%	5.77%	17.58%	20.63%	19.75%	15.88%	16.82%
Regular Shares	81.76%	75.30%	50.32%	43.19%	36.59%	31.38%	33.50%
Money Market Shares	3.95%	0.00%	13.99%	14.98%	18.38%	25.31%	23.22%
Share Certificates	12.65%	17.18%	11.51%	13.28%	16.35%	19.68%	18.54%
IRA Accounts	0.00%	1.66%	4.68%	6.98%	6.27%	5.62%	5.76%
All Other Shares	<u>0.02%</u>	<u>0.10%</u>	<u>1.93%</u>	<u>0.94%</u>	<u>2.66%</u>	<u>2.13%</u>	<u>2.16%</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, 2018**

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	10	13	41	21	29	14	128
Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.04%
Available for Sale Securities	0.00%	0.00%	4.38%	30.11%	28.88%	66.47%	49.07%
Held-to-Maturity Securities	0.00%	0.00%	12.73%	5.01%	14.46%	3.69%	6.99%
Commercial Banks, S&L's, and Mutual Savings Banks	63.87%	38.88%	53.35%	38.96%	29.65%	7.32%	19.34%
Credit Unions	27.13%	19.41%	9.84%	7.98%	5.74%	1.39%	3.78%
Corporate Credit Unions	9.01%	41.71%	15.06%	11.46%	14.50%	13.79%	13.95%
Other Investments	<u>0.00%</u>	<u>0.00%</u>	<u>4.63%</u>	<u>6.48%</u>	<u>6.76%</u>	<u>7.27%</u>	<u>6.83%</u>
Total Investments	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%