



2019 THIRD QUARTER CREDIT UNION BULLETIN

This bulletin highlights the 2019 third quarter financial trends for Wisconsin's 122 state-chartered credit unions. The analysis is based on data compiled from the September 2019 5300 call reports. This information is provided to keep you informed of current conditions and trends in the Wisconsin credit union industry.

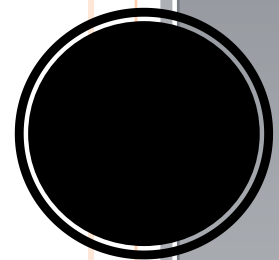
Total assets increased to \$40.2 billion, up from \$37.0 billion as of yearend 2018. The net worth ratio remained strong at 11.40%. Net income was over \$327 million resulting in a return on average assets ratio of 1.13%.

Loans outstanding grew by \$1.7 billion since yearend 2018 and savings grew by \$2.7 billion resulting in a loan to savings ratio of 94.87%. The delinquency ratio was 0.64% compared to 0.69% as of December 31, 2018.

The financial indicators for Wisconsin's state-chartered credit unions exhibit sound financial performance through September 30, 2019.

Additional information about consolidations that occurred in the third quarter of 2019 is included in this bulletin.

Kim Santos, Director
Office of Credit Unions



2019 CONSOLIDATIONS

Consolidation Date	Absorbed Credit Union	Location	Continuing Credit Union	Location
1/1/2019	Aurora	Milwaukee	Educators	Mount Pleasant
1/1/2019	CentralAlliance	Neenah	CoVantage	Antigo
4/1/2019	STAR	Madison	Summit	Madison

**COMPARISON STATEMENTS OF CONDITION
OF WISCONSIN CREDIT UNIONS
SEPTEMBER 30, 2019 and DECEMBER 31, 2018**

	<u>September 30, 2019</u>		<u>December 31, 2018</u>		Increase or Decrease	% Change
<u>Number of Credit Unions</u>	122		125		-3	-2.4%
	<u>AMOUNT</u>	% OF <u>ASSETS</u>	<u>AMOUNT</u>	% OF <u>ASSETS</u>		
<u>ASSETS</u>						
Personal Loans	13,850,486,449	34.5%	12,923,978,178	34.9%	926,508,271	7.2%
Real Estate Loans	<u>18,168,625,597</u>	45.2%	<u>17,406,737,675</u>	47.0%	<u>761,887,922</u>	4.4%
Total Loans	32,019,112,046	79.7%	30,330,715,853	81.9%	1,688,396,193	5.6%
Allowance for Loan Losses	<u>193,159,634</u>	0.5%	<u>180,772,430</u>	0.5%	<u>12,387,204</u>	6.9%
Net Loans	31,825,952,412	79.2%	30,149,943,423	81.5%	1,676,008,989	5.6%
Cash	3,211,972,294	8.0%	2,099,579,478	5.7%	1,112,392,816	53.0%
Investments	2,928,459,264	7.3%	2,914,215,516	7.9%	14,243,748	0.5%
Fixed Assets	914,151,090	2.3%	836,872,840	2.3%	77,278,250	9.2%
Other Assets	<u>1,314,307,423</u>	3.3%	<u>1,011,381,398</u>	2.7%	<u>302,926,025</u>	30.0%
TOTAL ASSETS	<u><u>40,194,842,483</u></u>	100.0%	<u><u>37,011,992,655</u></u>	100.0%	<u><u>3,182,849,828</u></u>	8.6%
<u>LIABILITIES</u>						
Regular Shares	10,527,415,980	26.2%	9,786,719,395	26.4%	740,696,585	7.6%
Share Drafts	5,544,337,495	13.8%	5,356,012,217	14.5%	188,325,278	3.5%
Other Shares & Deposits	<u>17,679,065,768</u>	44.0%	<u>15,916,855,617</u>	43.0%	<u>1,762,210,151</u>	11.1%
Total Savings	33,750,819,243	84.0%	31,059,587,229	83.9%	2,691,232,014	8.7%
Notes and Accounts Pay.	1,870,757,280	4.7%	1,729,683,314	4.7%	141,073,966	8.2%
Regular Reserve	1,078,896,796	2.7%	1,083,158,471	2.9%	-4,261,675	-0.4%
Other Reserves	<u>3,494,369,164</u>	8.7%	<u>3,139,563,641</u>	8.5%	<u>354,805,523</u>	11.3%
TOTAL LIABILITIES	<u><u>40,194,842,483</u></u>	100.0%	<u><u>37,011,992,655</u></u>	100.0%	<u><u>3,182,849,828</u></u>	8.6%

**STATEMENT OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIOD ENDING SEPTEMBER 30, 2019**

INCOME	<u>AMOUNT</u>	<u>% OF GROSS INCOME</u>	<u>% OF AVERAGE ASSETS</u>
Interest on Loans	1,099,767,948	69.53%	3.80%
Less: Interest Refunds	<u>917,339</u>	0.06%	0.00%
Net Interest Income	1,098,850,609	69.47%	3.80%
Income on Investments	101,142,211	6.39%	0.35%
Other Income	<u>381,811,066</u>	24.14%	1.32%
TOTAL OPERATING INCOME	1,581,803,886	100.00%	5.46%
ADMINISTRATIVE EXPENSES			
Employee Costs	475,327,703	30.05%	1.64%
Travel and Conference	9,757,744	0.62%	0.03%
Office Occupancy	57,610,228	3.64%	0.20%
General Operations	155,491,293	9.83%	0.54%
Education and Promotion	40,547,715	2.56%	0.14%
Loan Servicing	101,329,314	6.41%	0.35%
Professional Services	56,739,343	3.59%	0.20%
Member Insurance	117,280	0.01%	0.00%
Operating Fees	2,711,442	0.17%	0.01%
Other Operational Expenses	<u>24,832,964</u>	1.57%	0.09%
TOTAL ADMINISTRATIVE	924,465,026	58.44%	3.19%
Provision for Loan Loss	<u>72,086,606</u>	4.56%	0.25%
TOTAL OPERATING EXPENSES	996,551,632	63.00%	3.44%
Dividends Paid on Savings	240,217,148	15.19%	0.83%
Interest on Borrowed Funds	<u>24,462,328</u>	1.55%	0.08%
TOTAL COST OF FUNDS	264,679,476	16.73%	0.91%
TOTAL EXPENSES	1,261,231,108	79.73%	4.36%
NET OPERATING INCOME	320,572,778	20.27%	1.11%
NON-OPERATING GAIN/LOSS	<u>6,921,359</u>	0.44%	0.02%
NET INCOME	327,494,137	20.70%	1.13%

Small statistical errors may exist due to rounding.

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**COMPARISON STATEMENTS OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIODS ENDING SEPTEMBER 30, 2019 AND SEPTEMBER 30, 2018**

	2019	% OF AVERAGE	2018	% OF AVERAGE
	<u>AMOUNT</u>	<u>ASSETS</u>	<u>AMOUNT</u>	<u>ASSETS</u>
INCOME				
Interest on Loans	1,099,767,948	3.80%	942,551,082	3.56%
Less: Interest Refunds	<u>917,339</u>	<u>0.00%</u>	<u>1,354,192</u>	<u>0.01%</u>
Net Interest Income	1,098,850,609	3.80%	941,196,890	3.55%
Income on Investments	101,142,211	0.35%	66,289,843	0.25%
Other Income	<u>381,811,066</u>	<u>1.32%</u>	<u>372,325,775</u>	<u>1.41%</u>
TOTAL OPERATING INCOME	1,581,803,886	5.46%	1,379,812,508	5.21%
ADMINISTRATIVE EXPENSES				
Employee Costs	475,327,703	1.64%	431,409,883	1.63%
Travel and Conference	9,757,744	0.03%	8,787,547	0.03%
Office Occupancy	57,610,228	0.20%	52,835,358	0.20%
General Operations	155,491,293	0.54%	144,874,048	0.55%
Education and Promotion	40,547,715	0.14%	35,760,037	0.14%
Loan Servicing	101,329,314	0.35%	86,030,513	0.32%
Professional Services	56,739,343	0.20%	52,837,225	0.20%
Member Insurance	117,280	0.00%	-73,788	0.00%
Operating Fees	2,711,442	0.01%	2,767,945	0.01%
Other Operational Expenses	<u>24,832,964</u>	<u>0.09%</u>	<u>21,037,457</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	924,465,026	3.19%	836,266,225	3.16%
Provision for Loan Loss	<u>72,086,606</u>	<u>0.25%</u>	<u>67,745,922</u>	<u>0.26%</u>
TOTAL OPERATING EXPENSES	996,551,632	3.44%	904,012,147	3.41%
COST OF ACQUISITION OF FUNDS				
Dividends Paid on Savings	240,217,148	0.83%	147,247,242	0.56%
Interest on Borrowed Funds	<u>24,462,328</u>	<u>0.08%</u>	<u>19,481,684</u>	<u>0.07%</u>
TOTAL COST OF FUNDS	<u>264,679,476</u>	<u>0.91%</u>	<u>166,728,926</u>	<u>0.63%</u>
TOTAL EXPENSES	1,261,231,108	4.36%	1,070,741,073	4.04%
NET OPERATING INCOME	320,572,778	1.11%	309,071,435	1.17%
NON-OPERATING GAIN/LOSS	<u>6,921,359</u>	<u>0.02%</u>	<u>4,750,034</u>	<u>0.02%</u>
NET INCOME	327,494,137	1.13%	313,821,469	1.19%

**SIGNIFICANT OPERATIONAL RATIOS
FOR ALL WISCONSIN CREDIT UNIONS
2014-2019**

	2014	2015	2016	2017	2018	2019
Number of Credit Unions	160	150	143	129	125	122
<u>CAPITAL ADEQUACY</u>						
Net Worth/Total Assets	10.88%	10.97%	11.08%	11.28%	11.49%	11.40%
Total Delinquency/Net Worth	6.83%	5.71%	5.25%	4.91%	4.89%	4.46%
Solvency Evaluation	112.68%	112.68%	112.98%	113.42%	113.60%	113.55%
Classified Assets/Net Worth	6.25%	5.26%	4.57%	4.25%	4.25%	4.22%
<u>ASSET QUALITY</u>						
Delinquent Loans/Loans	0.97%	0.81%	0.75%	0.70%	0.69%	0.64%
Net Charge Offs/Avg. Loans	0.32%	0.26%	0.25%	0.25%	0.27%	0.25%
<u>EARNINGS (to Average Assets)</u>						
Return on Average Assets	0.82%	1.02%	1.09%	1.14%	1.13%	1.13%
Net Operating Expense	2.57%	2.62%	2.60%	2.58%	2.63%	2.67%
Fixed Assets+FRA's**/Assets	2.62%	2.45%	2.31%	2.23%	2.31%	2.32%
Gross Income	4.71%	4.80%	4.89%	4.96%	5.25%	5.46%
Cost of Funds	0.41%	0.42%	0.45%	0.50%	0.68%	0.91%
Operating Exp. (less PLL)	3.18%	3.22%	3.19%	3.14%	3.18%	3.19%
Net Interest Margin	3.00%	3.00%	3.00%	3.10%	3.18%	3.23%
Provision for Loan Losses	0.20%	0.16%	0.17%	0.22%	0.26%	0.25%
<u>ASSET-LIABILITY MANAGEMENT</u>						
Net Long Term Assets/Assets	33.34%	33.89%	33.41%	34.51%	34.38%	33.12%
Shares/Savings+Borrowings	29.34%	30.70%	31.63%	31.98%	30.28%	30.00%
Loans/Savings	89.47%	89.85%	91.21%	94.94%	97.65%	94.87%
Loans/Assets	76.90%	77.10%	77.59%	79.66%	81.95%	79.66%
Cash + ST Invest./Assets	9.84%	10.69%	10.85%	9.16%	9.01%	10.90%
<u>OTHER RATIOS</u>						
Share Growth	7.15%	9.22%	8.40%	7.11%	8.38%	11.55%
Net Worth Growth	9.84%	10.24%	10.47%	10.53%	10.36%	10.31%
Loan Growth	11.17%	9.68%	10.01%	11.49%	11.48%	7.42%
Asset Growth	7.39%	9.39%	9.35%	8.60%	8.36%	11.47%
Investments/Assets	12.90%	11.80%	10.54%	9.42%	7.87%	7.29%
Employee Cost/Gross Inc.	35.04%	35.04%	34.34%	32.76%	31.18%	30.05%
Employee Cost/ Avg. Assets	1.65%	1.68%	1.68%	1.63%	1.64%	1.64%
Average Loan Balance	\$12,156	\$12,577	\$13,079	\$14,104	\$14,829	\$15,104
Average Savings Balance	\$4,585	\$4,786	\$4,900	\$4,997	\$5,138	\$5,363

**Foreclosed and Repossessed Assets

**SIGNIFICANT OPERATIONAL RATIOS
FOR THE PERIOD ENDING SEPTEMBER 30, 2019**

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	8	13	40	19	27	15	122

CAPITAL ADEQUACY

Net Worth/Total Assets	19.08%	16.88%	13.68%	11.64%	11.56%	11.26%	11.40%
Net Worth/PCA Optional Total Assets	19.08%	16.95%	13.69%	11.65%	11.57%	11.26%	11.40%
Total Delinquency/Net Worth	3.33%	6.00%	3.26%	3.38%	3.94%	4.65%	4.46%
Solvency Evaluation	123.67%	120.50%	115.98%	113.25%	113.33%	113.51%	113.55%
Classified Assets/Net Worth	4.67%	4.00%	3.57%	3.78%	3.29%	4.45%	4.22%

ASSET QUALITY

Delinquent Loans/Loans	0.93%	1.52%	0.68%	0.58%	0.60%	0.64%	0.64%
Net Charge Offs/Avg. Loans	0.18%	0.18%	0.22%	0.11%	0.22%	0.27%	0.25%
Fair Value/Book Value for HTM	N/A	85.59%	100.45%	100.40%	95.53%	101.85%	98.69%
Accumulated Unrealized Gains or Losses on AFS/Cost of AFS	N/A	N/A	0.16%	0.54%	0.31%	0.44%	0.42%
Delinquent Loans/Assets	0.64%	1.01%	0.45%	0.39%	0.46%	0.52%	0.51%

EARNINGS (to Average Assets)

Return on Average Assets	0.27%	0.52%	0.87%	0.71%	0.78%	1.23%	1.13%
Gross Income	4.14%	4.17%	4.83%	4.79%	5.09%	5.86%	5.46%
Yield on Average Loans	5.17%	4.78%	4.84%	4.63%	4.50%	4.74%	4.70%
Yield on Average Investments	1.44%	2.11%	2.28%	2.34%	2.46%	2.60%	2.54%
Fee & Other Op. Income	0.18%	0.29%	0.96%	0.98%	1.22%	1.37%	1.32%
Cost of Funds	0.34%	0.48%	0.37%	0.43%	0.70%	1.00%	0.91%
Net Margin	3.80%	3.68%	4.46%	4.37%	4.39%	4.59%	4.55%
Operating Exp. (less PLL)	3.33%	3.07%	3.57%	3.63%	3.46%	3.11%	3.19%
Provision for Loan Losses	0.19%	0.10%	0.11%	0.07%	0.16%	0.28%	0.25%
Net Interest Margin	3.62%	3.39%	3.51%	3.38%	3.17%	3.23%	3.23%
Operating Exp./Gross Income	80.52%	73.63%	73.85%	75.64%	67.93%	55.57%	58.44%
Fixed Assets+FRA's**/Assets	0.18%	0.61%	1.72%	2.87%	2.82%	2.22%	2.32%
Net Operating Expense	3.28%	2.87%	3.01%	3.08%	2.93%	2.58%	2.67%

ASSET-LIABILITY MANAGEMENT

Net Long Term Assets/Assets	4.98%	3.21%	19.30%	24.72%	33.11%	34.05%	33.12%
Shares/Savings+Borrowings	74.02%	71.19%	49.09%	42.00%	34.84%	27.78%	30.00%
Loans/Savings	84.65%	81.09%	77.30%	77.94%	89.85%	97.31%	94.87%
Loans/Assets	68.24%	66.75%	66.04%	68.05%	76.57%	81.28%	79.66%
Cash + ST Investments/Assets	28.06%	24.12%	19.82%	16.35%	11.50%	10.19%	10.90%
Shares, Deposits & Borrowings/Earning Assets	81.13%	84.32%	89.98%	94.18%	93.98%	92.31%	92.55%
Shares + Drafts/Shares+Borrowings	74.02%	75.93%	67.91%	62.20%	53.37%	42.78%	45.79%
Borrowings/Shares & Net Worth	0.00%	0.43%	0.13%	0.00%	2.30%	4.04%	3.51%

OTHER RATIOS

Net Worth Growth	0.55%	3.19%	6.57%	6.29%	7.00%	11.37%	10.31%
Share Growth	8.89%	4.87%	5.13%	5.87%	7.34%	12.95%	11.55%
Loan Growth	9.77%	1.76%	2.75%	2.50%	2.67%	8.66%	7.42%
Asset Growth	7.10%	4.94%	5.07%	6.47%	7.45%	12.75%	11.47%
Investment Growth	0.31%	12.01%	8.20%	-9.78%	38.16%	37.39%	31.81%
Investments/Assets	11.01%	19.97%	22.22%	16.89%	10.35%	5.72%	7.29%
Employee Cost/Gross Inc.	41.65%	37.94%	36.32%	38.71%	37.25%	28.21%	30.05%
Employee Cost/ Avg. Assets	1.72%	1.58%	1.76%	1.86%	1.90%	1.58%	1.64%
Average Loan Balance	\$8,599	\$9,526	\$11,609	\$14,435	\$17,702	\$14,876	\$15,104
Average Savings Balance	\$2,772	\$4,004	\$4,173	\$4,554	\$5,142	\$5,516	\$5,363

**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 SEPTEMBER 30, 2019**

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	8	13	40	19	27	15	122
<u>OPERATING INCOME</u>							
Interest on Loans	84.50%	77.51%	66.68%	66.72%	68.81%	69.84%	69.53%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.00%	0.01%	0.07%	0.06%
Income on Investments	11.13%	15.51%	13.54%	12.80%	7.26%	5.75%	6.39%
Income on Securities in Trading acct	0.00%	0.00%	0.00%	0.00%	0.02%	0.03%	0.02%
Fee Income	1.17%	4.71%	11.47%	11.34%	10.31%	9.43%	9.66%
Other Operating Income	<u>3.20%</u>	<u>2.27%</u>	<u>8.32%</u>	<u>9.14%</u>	<u>13.61%</u>	<u>15.02%</u>	<u>14.45%</u>
TOTAL INCOME	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>OPERATING EXPENSES</u>							
Employee Costs	41.65%	37.94%	36.32%	38.71%	37.25%	28.21%	30.05%
Travel and Conference	0.33%	0.80%	0.76%	0.91%	0.86%	0.56%	0.62%
Office Occupancy	4.62%	3.69%	4.94%	5.20%	4.68%	3.35%	3.64%
General Operations	17.88%	15.11%	12.82%	14.51%	12.41%	9.08%	9.83%
Education and Promotion	0.06%	0.69%	2.01%	2.33%	2.52%	2.60%	2.56%
Loan Servicing	3.69%	1.90%	4.55%	3.96%	3.52%	7.08%	6.41%
Professional Services	5.12%	6.65%	9.41%	8.24%	5.09%	2.95%	3.59%
Member Insurance	0.08%	0.00%	0.02%	0.02%	0.04%	0.00%	0.01%
Operating Fees	3.40%	1.53%	0.57%	0.33%	0.22%	0.14%	0.17%
Miscellaneous	<u>3.68%</u>	<u>5.32%</u>	<u>2.46%</u>	<u>1.43%</u>	<u>1.34%</u>	<u>1.58%</u>	<u>1.57%</u>
TOTAL ADMINISTRATIVE	80.52%	73.63%	73.85%	75.64%	67.93%	55.57%	58.44%
Provision for Loan Loss	<u>4.71%</u>	<u>2.51%</u>	<u>2.33%</u>	<u>1.49%</u>	<u>3.20%</u>	<u>4.99%</u>	<u>4.56%</u>
TOTAL OPERATING EXP.	85.22%	76.14%	76.19%	77.13%	71.13%	60.56%	63.00%
<u>COST OF FUNDS</u>							
Interest on Borrowed Funds	0.00%	0.06%	0.08%	0.02%	1.12%	1.73%	1.55%
Dividends on Savings	<u>8.24%</u>	<u>11.56%</u>	<u>7.60%</u>	<u>8.89%</u>	<u>12.72%</u>	<u>16.11%</u>	<u>15.19%</u>
TOTAL COST OF FUNDS	8.24%	11.62%	7.68%	8.91%	13.84%	17.85%	16.73%
<u>NET INCOME FROM OPERATIONS</u>	6.54%	12.24%	16.13%	13.96%	15.02%	21.59%	20.27%
NON-OPERATING GAIN/LOSS	<u>0.00%</u>	<u>0.19%</u>	<u>1.97%</u>	<u>0.75%</u>	<u>0.29%</u>	<u>0.41%</u>	<u>0.44%</u>
<u>NET INCOME</u>	6.54%	12.44%	18.10%	14.71%	15.32%	22.00%	20.70%

**ANALYSIS OF INCOME AND EXPENSES TO AVERAGE ASSETS
FOR THE PERIOD ENDING SEPTEMBER 30, 2019**

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	8	13	40	19	27	15	122
<u>OPERATING INCOME</u>							
Interest on Loans	3.50%	3.23%	3.22%	3.20%	3.50%	3.91%	3.80%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income on Investments	0.46%	0.65%	0.65%	0.61%	0.37%	0.32%	0.35%
Income on Securities in Trading	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	0.05%	0.20%	0.55%	0.54%	0.53%	0.53%	0.53%
Other Operating Income	<u>0.13%</u>	<u>0.09%</u>	<u>0.40%</u>	<u>0.44%</u>	<u>0.69%</u>	<u>0.84%</u>	<u>0.79%</u>
TOTAL INCOME	4.14%	4.17%	4.83%	4.79%	5.09%	5.59%	5.46%
<u>OPERATING EXPENSES</u>							
Employee Costs	1.72%	1.58%	1.76%	1.86%	1.90%	1.58%	1.64%
Travel and Conference	0.01%	0.03%	0.04%	0.04%	0.04%	0.03%	0.03%
Office Occupancy	0.19%	0.15%	0.24%	0.25%	0.24%	0.19%	0.20%
General Operations	0.74%	0.63%	0.62%	0.70%	0.63%	0.51%	0.54%
Education and Promotion	0.00%	0.03%	0.10%	0.11%	0.13%	0.15%	0.14%
Loan Servicing	0.15%	0.08%	0.22%	0.19%	0.18%	0.40%	0.35%
Professional Services	0.21%	0.28%	0.45%	0.40%	0.26%	0.17%	0.20%
Member Insurance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Fees	0.14%	0.06%	0.03%	0.02%	0.01%	0.01%	0.01%
Miscellaneous	<u>0.15%</u>	<u>0.22%</u>	<u>0.12%</u>	<u>0.07%</u>	<u>0.07%</u>	<u>0.09%</u>	<u>0.09%</u>
TOTAL ADMINISTRATIVE	3.33%	3.07%	3.57%	3.63%	3.46%	3.11%	3.19%
Provision for Loan Loss	<u>0.19%</u>	<u>0.10%</u>	<u>0.11%</u>	<u>0.07%</u>	<u>0.16%</u>	<u>0.28%</u>	<u>0.25%</u>
TOTAL OPERATING EXP.	3.53%	3.17%	3.68%	3.70%	3.62%	3.39%	3.44%
<u>COST OF FUNDS</u>							
Interest on Borrowed Funds	0.00%	0.00%	0.00%	0.00%	0.06%	0.10%	0.08%
Dividends on Savings	<u>0.34%</u>	<u>0.48%</u>	<u>0.37%</u>	<u>0.43%</u>	<u>0.65%</u>	<u>0.90%</u>	<u>0.83%</u>
TOTAL COST OF FUNDS	0.34%	0.48%	0.37%	0.43%	0.70%	1.00%	0.91%
<u>NET INCOME FROM OPERATIONS</u>	0.27%	0.51%	0.78%	0.67%	0.76%	1.21%	1.11%
NON-OPERATING GAIN/LOSS	<u>0.00%</u>	<u>0.01%</u>	<u>0.10%</u>	<u>0.04%</u>	<u>0.01%</u>	<u>0.02%</u>	<u>0.02%</u>
<u>NET INCOME</u>	0.27%	0.52%	0.87%	0.71%	0.78%	1.23%	1.13%

**LOAN DELINQUENCY
PERIOD ENDING SEPTEMBER 30, 2019**

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	8	13	40	19	27	15	122
<u>Loan Delinquency Ratios</u>							
2 - 6 Months Delinquent	0.44%	0.95%	0.52%	0.41%	0.39%	0.47%	0.46%
6 - 12 Months Delinquent	0.32%	0.26%	0.11%	0.13%	0.13%	0.11%	0.11%
Over 12 Months Delinquent	<u>0.17%</u>	<u>0.30%</u>	<u>0.05%</u>	<u>0.04%</u>	<u>0.07%</u>	<u>0.07%</u>	<u>0.07%</u>
Total Delinquent Loans	0.93%	1.52%	0.68%	0.58%	0.60%	0.64%	0.64%
<u>Loan Loss Ratio</u>	0.18%	0.18%	0.22%	0.11%	0.22%	0.27%	0.25%

**ANALYSIS OF LOANS BY TYPE
PERIOD ENDING SEPTEMBER 30, 2019**

Number of Credit Unions	8	13	40	19	27	15	122
<u>Loan Types</u>							
Unsecured Credit Card Loans	0.69%	0.66%	2.62%	1.88%	1.74%	3.52%	3.19%
Non-Federally Guaranteed Student Loans	0.00%	0.00%	0.47%	0.19%	0.14%	1.38%	1.14%
All Other Unsecured Loans/Lines of Credit	7.99%	9.42%	3.56%	2.25%	1.82%	2.89%	2.74%
New Vehicle Loans	25.00%	19.16%	10.57%	6.80%	6.98%	6.11%	6.38%
Used Vehicle Loans	47.24%	50.99%	32.22%	25.71%	22.75%	20.12%	20.99%
Leases Receivable	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%	0.15%
All Other Secured Non-Real Estate Loans/LOC	8.93%	9.41%	5.66%	5.90%	6.90%	7.93%	7.67%
Secured by 1st Lien 1-4 Family Residential Properties	8.87%	6.42%	37.07%	47.03%	46.05%	35.78%	37.60%
Secured by Junior Lien 1-4 Family Residential	1.29%	3.85%	5.13%	4.89%	5.51%	7.46%	7.04%
All Other Real Estate/Lines of Credit	0.00%	0.01%	1.04%	0.42%	1.14%	0.34%	0.47%
Commercial Loans/LOC Real Estate Secured	0.00%	0.00%	1.43%	4.52%	5.73%	13.28%	11.63%
Commercial Loans/LOC Not Real Estate Secured	<u>0.00%</u>	<u>0.09%</u>	<u>0.23%</u>	<u>0.42%</u>	<u>1.25%</u>	<u>1.01%</u>	<u>1.01%</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%	2.45%	2.92%	7.32%	3.83%	4.27%
First Mortgage - Fixed - 15 yrs. Or less	0.00%	2.13%	13.62%	13.44%	10.91%	9.61%	9.99%
First Mortgage - Balloon/Hybrid - > 5 yrs.	6.29%	0.00%	3.08%	6.25%	6.73%	13.25%	11.85%
First Mortgage - Balloon/Hybrid - 5 yrs. Or less	2.58%	3.22%	9.43%	13.47%	10.62%	14.54%	13.80%
First Mortgage - Other Fixed Rate	0.00%	0.00%	0.57%	0.23%	0.57%	0.35%	0.38%
First Mortgage - Adjustable - 1 year or less	0.00%	0.00%	0.63%	2.54%	2.63%	1.99%	2.07%
First Mortgage - Adjustable - > 1 year	0.00%	0.00%	8.78%	12.58%	12.68%	4.96%	6.39%
Other - Closed End Fixed	1.29%	1.42%	2.72%	2.43%	2.17%	1.64%	1.77%
Other - Closed End Adjustable	0.00%	0.14%	0.69%	0.73%	0.69%	0.69%	0.69%
Other - Open End Adjustable	0.00%	3.37%	2.70%	2.08%	4.00%	5.96%	5.48%
Other - Open-End Fixed	0.00%	0.00%	0.00%	0.18%	0.11%	0.03%	0.05%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Real Estate (As a percent of loans)	10.16%	10.28%	44.68%	56.85%	58.43%	56.86%	56.74%
Total Real Estate (As a percent of assets)	6.93%	6.86%	29.51%	38.69%	44.74%	46.21%	45.20%

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

**ANALYSIS OF SAVINGS BY TYPE
PERIOD ENDING SEPTEMBER 30, 2019**

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	8	13	40	19	27	15	122
Share Drafts	1.99%	4.77%	18.85%	20.20%	19.01%	15.68%	16.43%
Regular Shares	74.02%	71.56%	49.17%	42.00%	35.74%	29.06%	31.19%
Money Market Shares	4.01%	0.00%	12.78%	14.07%	19.03%	22.18%	21.10%
Share Certificates	19.96%	22.05%	12.13%	15.66%	18.11%	25.13%	23.34%
IRA Accounts	0.00%	1.02%	4.59%	7.23%	6.11%	6.03%	6.04%
All Other Shares	<u>0.02%</u>	<u>0.60%</u>	<u>2.47%</u>	<u>0.84%</u>	<u>1.99%</u>	<u>1.92%</u>	<u>1.91%</u>
Total Shares	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**ANALYSIS OF INVESTMENTS BY TYPE
PERIOD ENDING SEPTEMBER 30, 2019**

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	8	13	40	19	27	15	122
Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%	0.05%
Available for Sale Securities	0.00%	0.00%	4.59%	27.83%	25.43%	53.40%	41.01%
Held-to-Maturity Securities	0.00%	0.15%	17.47%	6.16%	11.92%	2.68%	6.16%
Equity Securities	0.00%	0.00%	0.00%	0.00%	0.51%	0.07%	0.16%
Trading Debt Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Available for Sale Debt Securities	0.00%	0.00%	0.00%	0.00%	4.36%	21.16%	13.96%
Held-to-Maturity Debt Securities	0.00%	0.00%	0.00%	0.00%	0.80%	0.00%	0.17%
Commercial Banks, S&L's, and Mutual Savings Banks	50.37%	49.38%	48.85%	45.04%	28.64%	4.85%	17.12%
Credit Unions	40.30%	24.61%	11.43%	10.39%	5.14%	1.06%	3.68%
Corporate Credit Unions	9.33%	25.86%	16.87%	8.71%	18.44%	11.92%	13.53%
Other Investments	<u>0.00%</u>	<u>0.00%</u>	<u>0.80%</u>	<u>1.87%</u>	<u>4.74%</u>	<u>4.77%</u>	<u>4.17%</u>
Total Investments	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%