

MINNESOTA POWER EMPLOYEES CREDIT UNION
STATEMENTS OF FINANCIAL CONDITION
March 31, 2017 AND 2016

ASSETS	2017	2016
Cash and Cash Equivalents	\$9,812,474	\$8,179,327
Certificates of Deposit	6,360,000	7,848,000
Available-for-Sale Securities	10,863,097	13,597,076
Held-to-Maturity Securities	5,613,047	5,461,532
Other Investments	5,368,058	5,074,958
Loans, net	55,925,222	52,564,231
Accrued Interest Receivable	185,599	183,159
Furniture and Equipment, net	1,107,718	311,993
National Credit Union Share Insurance Fund Deposit	753,435	757,834
Other Assets	486,784	231,286
	\$96,475,434	\$94,209,396
LIABILITIES AND MEMBERS' EQUITY		
Members' share accounts and certificates	80,665,120	78,311,081
Dividends and Interest Payable	46,741	35,505
Accrued Expenses and Other Liabilities	169,391	351,679
Total Liabilities	80,881,252	78,698,265
Reserves	1,850,786	1,850,786
Undivided Earnings	14,041,552	13,701,202
Gain (Loss) Available for Sale Securities	(292,886)	(154,053)
Net Income	(5,270)	113,196
Total Members' Equity	15,594,182	15,511,131
Total Liabilities and Members' Equity	\$96,475,434	\$94,209,396

MINNESOTA POWER EMPLOYEES CREDIT UNION
STATEMENTS OF INCOME
FOR THE PERIODS ENDING,

	March 31, 2017 (Year-to-Date)	March 31, 2016 (Year-to-Date)
INTEREST INCOME		
Loans Receivable	639,128	\$601,479
Investments and interest bearing deposits	169,918	232,488
Total Interest Income	809,046	833,967
INTEREST AND DIVIDEND EXPENSE	33,747	36,057
NET INTEREST INCOME	775,299	797,910
PROVISION FOR LOAN LOSSES	0	31,443
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	775,299	766,467
NON-INTEREST INCOME		
Service Charges and Fees	15,532	24,520
Other	86,120	95,591
Gain/(Loss) on Assets	0	0
Total Non-Interest Income	101,652	120,111
NON-INTEREST EXPENSE		
General and Administrative -		
Compensation and Benefits	443,134	458,346
Occupancy	83,888	34,975
Service Related	160,447	138,037
Office Operations	115,445	75,808
Other	79,307	66,217
Total Non-Interest Expense	882,221	773,383
NET INCOME	(\$5,270)	\$113,195

Minnesota Power Employees Credit Union

Historical Snapshot

	March 2016				March 2017			
	Month-end	Mix %	Inc/Exp	YTD Inc/Exp	Month-end	Mix %	Inc/Exp	YTD Inc/Exp
Cash & Cash on Deposit	\$8,179,327	9%	(\$2,393)	\$312	\$9,812,474	10%	\$7,304	\$13,347
Total Investments	31,981,566	34%	57,036	232,176	28,204,202	29%	52,862	156,571
Net Loans	52,564,231	56%	205,182	601,479	55,925,222	58%	215,210	639,128
Accrued Interest	183,159	0%			185,599	0%		
Total Fixed Assets	311,993	0%			1,107,718	1%		
NCUSIF Deposit	757,834	1%			753,435	1%		
Total Other Assets	231,286	0%			486,784	1%		
TOTAL ASSETS	\$94,209,397	100%	259,825	\$833,968	\$96,475,434	100%	\$275,377	\$809,046
Other Liabilities	\$387,184	0%			\$216,131	0%		
Total Shares	78,311,081	83%	11,943	36,057	80,665,120	84%	11,383	33,747
Total Equity	15,511,131	16%			15,594,183	16%		
TOTAL LIABILITIES & EQUITY	\$94,209,397	100%	\$11,943	\$36,057	\$96,475,434	100%	\$11,383	\$33,747
Net Interest Income			\$247,882	\$797,910			\$263,994	\$775,299
Total Other Operating Income			35,504	120,111			23,185	101,652
Total Non-Interest Expense			216,963	773,382			347,839	882,221
Provision for Loan Losses			9,152	31,443			0	0
NET INCOME			\$57,271	\$113,196			(\$60,660)	(\$5,270)

	March 2016			March 2017		
	Actual	Goal	12/14 Peer Avg	Actual	Goal	12/15 Peer Avg
Capital Ratios:						
Net Worth / Total Assets	16.628%	> 10%	11.430%	16.467%	>7%	11.520%
Solvency Evaluation	119.807%		113.060%	119.332%		113.250%
Net Worth / Loans	29.713%			28.307%		
Asset Quality Ratios:						
Delinquent Loans / Total Loans	0.009%		1.140%	0.000%		1.020%
Net Charge off / Average Loans	-0.062%		0.450%	0.038%		0.430%
Earnings Ratios:						
Yield on Average Assets	3.293%		4.690%	3.402%		4.670%
Cost on Average Assets	0.151%		0.350%	0.141%		0.310%
Spread on Average Assets	3.142%		4.350%	3.261%		4.350%
ROA (Year-to-Date)	0.490%	> 1%	0.490%	-0.028%	>0.25%	0.430%
ROE (Year-to-Date)	2.928%			-0.190%		
Net Interest Margin	3.182%		3.090%	3.330%		3.080%
Liquidity Ratios:						
Loans to Shares	68.222%		61.660%	70.859%		63.310%
Loans to Assets	56.619%	76% +/- 4%	53.980%	59.143%	76% +/- 4	55.310%
Shares to Assets	82.992%			83.466%		
Mix Ratios:						
Earning Asset Mix	98.727%	95%		97.936%	95%	
Share Draft Mix	11.017%			11.955%		
Regular Share Mix	25.408%			27.913%		
Money Market Mix	35.590%			33.844%		
Term Share Mix	7.285%			6.391%		
IRA Mix	2.583%			2.412%		
IRA Term Share Mix	1.241%			1.095%		
Free Funds	15.938%			14.775%		
Growth Ratios (Year-to-Date):						
Asset Growth	9.328%		3.700%	6.062%	5% - 10%	3.760%
Share Growth	9.458%		3.210%	6.773%		3.570%
Loan Growth	-3.485%		5.250%	-11.706%		6.510%