


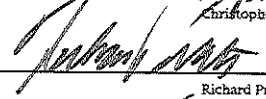
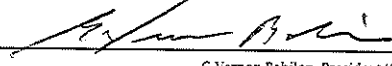
**TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS  
AS OF JUNE 30, 2014**

Assets	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>Loans</b>										
Credit Cards	671	\$ 903,319	648	\$ 857,580	23	\$ 45,739	459	\$ 727,069	212	\$ 176,250
Unsecured	1,592	\$ 4,405,437	1,581	\$ 4,275,990	11	\$ 129,446	1,551	\$ 3,606,393	41	\$ 799,044
Direct Auto	1,038	\$ 9,898,060	1,052	\$ 10,073,131	(14)	\$ (175,071)	1,243	\$ 12,035,878	(205)	\$ (2,137,818)
Indirect Auto	644	\$ 9,112,945	652	\$ 9,055,911	(8)	\$ 57,034	759	\$ 7,250,403	(115)	\$ 1,862,541
Home Equity	341	\$ 7,753,524	338	\$ 8,078,644	3	\$ (325,120)	339	\$ 8,783,775	2	\$ (1,030,252)
Fixed Real Estate	358	\$ 23,293,911	356	\$ 23,194,291	2	\$ 99,620	366	\$ 24,547,512	(8)	\$ (1,253,602)
Variable Real Estate	69	\$ 4,555,130	71	\$ 4,622,353	(2)	\$ (67,223)	77	\$ 5,166,950	(8)	\$ (611,820)
Savings and Certificate Secured	104	\$ 564,326	112	\$ 577,094	(8)	\$ (12,768)	118	\$ 648,423	(14)	\$ (84,097)
Other	47	\$ 560,112	49	\$ 551,294	(2)	\$ 8,818	59	\$ 663,040	(12)	\$ (102,928)
<b>Gross Loans</b>	<b>4,864</b>	<b>\$ 61,046,762</b>	<b>4,859</b>	<b>\$ 61,286,288</b>	<b>5</b>	<b>\$ (239,526)</b>	<b>4,971</b>	<b>\$ 63,429,444</b>	<b>(107)</b>	<b>\$ (2,382,682)</b>
						\$ -	\$ -	\$ 52,419	\$ -	\$ (52,419)
	4,864	\$ 61,046,762	4,859	\$ 61,286,288	5	\$ (239,526)	4,971	\$ 63,481,863	(107)	\$ (2,435,101)
Allowance for Loan Losses		\$ (1,376,072)		\$ (1,365,671)		\$ 10,401		\$ (1,602,312)		\$ (226,240)
<b>Net Loans</b>		<b>\$ 59,670,690</b>		<b>\$ 59,920,617</b>		<b>\$ (249,927)</b>		<b>\$ 61,879,551</b>		<b>\$ (2,208,861)</b>
<b>Cash</b>		<b>\$ 16,278,944</b>		<b>\$ 14,278,628</b>		<b>\$ 2,000,316</b>		<b>\$ 19,132,429</b>		<b>\$ (2,853,486)</b>
<b>Investments</b>		<b>\$ 54,570,315</b>		<b>\$ 56,912,521</b>		<b>\$ (2,342,206)</b>		<b>\$ 46,763,064</b>		<b>\$ 7,807,251</b>
<b>Other Assets</b>										
Land and Building		\$ 4,018,374		\$ 4,025,998		\$ (7,624)		\$ 4,143,680		\$ (125,306)
Furniture and Equipment		\$ 357,359		\$ 274,221		\$ 83,138		\$ 322,450		\$ 34,909
Other Assets		\$ 2,846,712		\$ 2,770,734		\$ 75,978		\$ 2,433,528		\$ 413,184
<b>Total Other Assets</b>		<b>\$ 7,222,445</b>		<b>\$ 7,070,953</b>		<b>\$ 151,491</b>		<b>\$ 6,899,658</b>		<b>\$ 322,787</b>
<b>Total Assets</b>		<b>\$ 137,742,394</b>		<b>\$ 138,182,719</b>		<b>\$ (440,325)</b>		<b>\$ 134,674,702</b>		<b>\$ 3,067,691</b>
<b>Liabilities and Equity</b>										
Accounts Payable/Liabilities		\$ (405,255)		\$ 769,018		\$ (1,174,273)		\$ 771,413		\$ (1,176,668)
Total Borrowings		\$ -		\$ -		\$ -		\$ -		\$ -
<b>Member Deposits</b>										
Savings and Clubs	13,700	\$ 56,085,276	13,746	\$ 55,644,888	(46)	\$ 440,388	14,181	\$ 51,547,452	(481)	\$ 4,537,824
Money Market accounts	799	\$ 23,834,968	805	\$ 23,506,962	(6)	\$ 328,006	826	\$ 23,731,229	(27)	\$ 103,739
Checking	7,449	\$ 24,763,733	7,740	\$ 24,614,059	(291)	\$ 149,674	7,636	\$ 22,263,682	(187)	\$ 2,500,051
Certificates	1,005	\$ 14,378,528	1,008	\$ 14,515,524	(3)	\$ (136,996)	1,144	\$ 16,734,218	(139)	\$ (2,355,690)
Demand IRAs	510	\$ 5,439,926	510	\$ 5,455,294	0	\$ (15,369)	510	\$ 5,485,513	0	\$ (45,587)
IRA Certificates	418	\$ 4,646,319	420	\$ 4,651,015	(2)	\$ (4,697)	460	\$ 5,343,577	(42)	\$ (697,258)
<b>Total Member Deposits</b>	<b>23,881</b>	<b>\$ 129,148,751</b>	<b>24,229</b>	<b>\$ 128,387,743</b>	<b>(348)</b>	<b>\$ 761,008</b>	<b>24,757</b>	<b>\$ 125,105,672</b>	<b>(876)</b>	<b>\$ 4,043,079</b>
<b>Capital</b>										
Regular Reserves		\$ 5,731,571		\$ 5,731,571		\$ -		\$ 5,708,723		\$ 22,848
Undivided Earnings		\$ 3,365,389		\$ 3,355,823		\$ 9,566		\$ 3,319,478		\$ 45,911
Unrealized Gain/Loss (AFS)		\$ (98,061)		\$ (61,435)		\$ (36,626)		\$ (230,582)		\$ 132,521
<b>Total Capital</b>		<b>\$ 8,998,898</b>		<b>\$ 9,025,958</b>		<b>\$ (27,060)</b>		<b>\$ 8,797,618</b>		<b>\$ 201,280</b>
<b>Total Liabilities and Equity</b>		<b>\$ 137,742,394</b>		<b>\$ 138,182,719</b>		<b>\$ (440,325)</b>		<b>\$ 134,674,702</b>		<b>\$ 3,067,691</b>

**TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS**  
**AS OF JUNE 30, 2014**

Income	Current Month		Year to Date		Prior Year to Date		Budget	Budget	%
	Amount	Amount	Amount	Amount	Amount	Difference	Ytd	Difference	
Interest on Loans	\$ 267,030	\$ 1,605,440	\$ 1,763,727	\$ (158,287)	\$ 1,700,952	\$ (95,512)	-6%		
Income from Investments	\$ 70,220	\$ 411,079	\$ 253,934	\$ 157,145	\$ 390,268	\$ 20,811	5%		
Investment Services Income	\$ 21,515	\$ 117,582	\$ 113,361	\$ 4,221	\$ 105,655	\$ 11,927	11%		
Fee Income	\$ 86,259	\$ 518,201	\$ 581,747	\$ (63,547)	\$ 613,477	\$ (95,276)	-16%		
Other Operating Income	\$ 14,283	\$ 130,373	\$ 150,152	\$ (19,779)	\$ 101,376	\$ 28,997	29%		
<b>Total Income</b>	<b>\$ 459,306</b>	<b>\$ 2,782,674</b>	<b>\$ 2,862,921</b>	<b>\$ (80,247)</b>	<b>\$ 2,911,728</b>	<b>\$ (129,054)</b>	<b>-4%</b>		
<b>Operating Expenses</b>									
Employee Compensation	\$ 195,944	\$ 1,168,196	\$ 1,170,815	\$ (2,619)	\$ 1,150,584	\$ 17,612	2%		
Employee Incentives	\$ -	\$ 120	\$ 300	\$ (180)	\$ 500	\$ (380)	-76%		
Employee Benefits	\$ 34,118	\$ 230,178	\$ 237,075	\$ (6,898)	\$ 249,105	\$ (18,927)	-8%		
Meetings	\$ 1,450	\$ 8,743	\$ 8,733	\$ 9	\$ 6,709	\$ 2,034	30%		
Loan Servicing	\$ 13,531	\$ 97,774	\$ 83,048	\$ 14,727	\$ 79,496	\$ 18,278	23%		
State Banking Dept. Fee	\$ 1,314	\$ 7,887	\$ 7,948	\$ (61)	\$ 7,890	\$ (3)	0%		
Office Occupancy	\$ 36,742	\$ 209,428	\$ 218,730	\$ (9,302)	\$ 237,540	\$ (28,112)	-12%		
Office Operations	\$ 42,706	\$ 276,086	\$ 286,488	\$ (10,402)	\$ 299,112	\$ (23,026)	-8%		
Miscellaneous Expenses	\$ 385	\$ 4,907	\$ 3,886	\$ 1,020	\$ 6,508	\$ (1,601)	-25%		
Member Insurance	\$ -	\$ 400	\$ 1,200	\$ (800)	\$ -	\$ 400	BUDGET IS ZERO		
NCUSIF Corp Stabilization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	BUDGET IS ZERO		
Association Dues	\$ 2,097	\$ 12,881	\$ 14,006	\$ (1,124)	\$ 11,183	\$ 1,698	15%		
Educational & Training	\$ 601	\$ 2,550	\$ 5,736	\$ (3,186)	\$ 8,085	\$ (5,535)	-68%		
Professional & Outside Services	\$ 62,739	\$ 440,937	\$ 468,932	\$ (27,995)	\$ 414,580	\$ 26,357	6%		
Travel and Conference	\$ 138	\$ 322	\$ 3,500	\$ (3,178)	\$ 1,000	\$ (678)	BUDGET IS ZERO		
Promotional Expenses	\$ 2,532	\$ 24,613	\$ 47,895	\$ (23,282)	\$ 25,891	\$ (1,278)	-5%		
Cash Short/Over	\$ 130	\$ 1,494	\$ 527	\$ 967	\$ -	\$ 1,494	BUDGET IS ZERO		
Deposit Account Adjustments	\$ 4,449	\$ 11,963	\$ 21,423	\$ (9,460)	\$ 20,400	\$ (8,437)	-41%		
<b>Total Operating Expenses</b>	<b>\$ 398,875</b>	<b>\$ 2,498,479</b>	<b>\$ 2,580,242</b>	<b>\$ (81,764)</b>	<b>\$ 2,518,583</b>	<b>\$ (20,104)</b>	<b>-1%</b>		
<b>Net Operating Income</b>	<b>\$ 60,431</b>	<b>\$ 284,196</b>	<b>\$ 282,679</b>	<b>\$ 1,517</b>	<b>\$ 393,145</b>	<b>\$ (108,949)</b>	<b>-28%</b>		
Provision for Losses	\$ 33,720	\$ 127,234	\$ (47,730)	\$ 174,964	\$ 326,383	\$ (199,149)	-61%		
Provision OREO	\$ -	\$ -	\$ 17,888	\$ (17,888)	\$ 3,600	\$ (3,600)	-100%		
Dividends	\$ 17,145	\$ 105,274	\$ 123,161	\$ (17,887)	\$ 115,790	\$ (10,516)	-9%		
Interest on Borrowed Money	\$ -	\$ 22	\$ 20	\$ 1	\$ -	\$ 22	BUDGET IS ZERO		
Non-Operating (Income) Expense	\$ -	\$ -	\$ (100)	\$ 100	\$ -	\$ -	BUDGET IS ZERO		
(Gain)/Loss on Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	BUDGET IS ZERO		
(Gain)/Loss Foreclosed Assets	\$ -	\$ -	\$ 75,431	\$ (75,431)	\$ -	\$ -	BUDGET IS ZERO		
<b>Net Income (Loss)</b>	<b>\$ 9,566</b>	<b>\$ 51,666</b>	<b>\$ 114,009</b>	<b>\$ (62,343)</b>	<b>\$ (79,124)</b>	<b>\$ 130,790</b>	<b>-165%</b>		

We certify, to the best of our knowledge and belief, that these financial statements are true and correct and present fairly the financial position and the results of operations for the periods covered.

  
 Christopher Lewis, VP of Finance/CFO  
  
 Richard Prater, Treasurer  
  
 G. Vernon Babilon, President/CEO

7/14/14  
 Date  
 7.13.14  
 Date  
 7/14/14  
 Date

**TUCSON OLD PUEBLO CREDIT UNION - ADDENDUM TO THE FINANCIAL STATEMENTS  
AS OF JUNE 30, 2014**

	Current Month		Prior Month		Difference		Prior Year		Difference	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
<b>Loan Delinquency</b>										
60-179 DAYS	27	531,611	23	486,396	4	\$ 45,215	11	\$ 187,006	16	\$ 344,605
180-359 DAYS	1	78,526	3	199,851	(2)	(121,325)	5	126,421	-4	(47,895)
OVER 359 DAYS	3	118,110	2	55,696	1	62,414	5	66,835	-2	51,275
<b>Total Delinquency</b>	<b>31</b>	<b>\$ 728,247</b>	<b>28</b>	<b>\$ 741,943</b>	<b>3</b>	<b>\$ (13,696)</b>	<b>21</b>	<b>\$ 380,262</b>	<b>10</b>	<b>\$ 347,985</b>
<b>Ratios</b>	<u>Percent</u>		<u>Percent</u>		<u>Percent</u>		<u>Percent</u>		<u>Percent</u>	
Loans/Deposits	47.27%		47.74%		-0.47%		50.74%		-3.47%	
Efficiency Ratio (YTD expenses/income)	89.79%		90.37%		-0.58%		90.13%		-0.34%	
Delinquent Loans/Loans	1.19%		1.21%		-0.02%		0.60%		0.59%	
Net Interest Margin	2.82%		2.90%		-0.07%		2.73%		0.09%	
Capital Ratio	6.60%		6.58%		0.03%		6.53%		0.07%	
Return on Average Assets (YTD)	0.08%		0.07%		0.00%		0.17%		-0.09%	
<b>Other Information</b>	<u>Number</u>		<u>Number</u>		<u>Number</u>		<u>Number</u>		<u>Number</u>	
Primary Accounts	12,649		12,703		(54)		13,173		(524)	
New Primary Accounts	65		98		(33)		69		(4)	

**Membership & FTE Information**

	Mar 2014	Jun 2014	Sep 2014	Dec 2014
# of Members	11,647	11,530		
Membership Growth	-56	-117		
FTE	56.5	52.0		
Members to FTE	206.14	221.73		