

TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF MAY 31, 2012

Assets	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Loans										
Credit Cards	0	\$ 2,022.44							0	\$ 2,022.44
Unsecured	1,143	2,901,224.34	1,446	2,854,120.73	(303)	47,103.61	1,420	2,630,174.38	(277)	271,049.96
Direct Auto	1,346	13,574,189.80	1,374	13,891,589.82	(28)	(317,400.02)	1,410	13,429,587.03	(64)	144,602.77
Indirect Auto	1,317	9,696,301.11	1,365	10,028,925.39	(48)	(332,624.28)	2,088	18,137,231.18	(771)	(8,440,930.07)
Home Equity	419	10,340,773.23	419	10,511,528.44	0	(170,755.21)	432	10,799,860.49	(13)	(459,087.26)
Fixed Real Estate	377	27,056,064.52	380	27,291,104.61	(3)	(235,040.09)	406	30,567,087.60	(29)	(3,511,023.08)
Variable Real Estate	86	6,160,856.44	86	6,166,906.07	0	(6,049.63)	95	6,734,980.20	(9)	(574,123.76)
Savings and Certificate Secured	138	750,256.37	137	787,430.78	1	(37,174.41)	131	856,965.50	7	(106,709.13)
Other	93	1,193,351.61	97	1,255,847.39	(4)	(62,495.78)	98	1,173,703.34	(5)	19,648.27
Gross Loans	4,919	\$ 71,675,039.86	5,304	\$ 72,787,453.23	(385)	\$ (1,114,435.81)	6,080	\$ 84,329,589.72	(1,161)	\$ (12,654,549.86)
Prepaid Loan Fees		39,052.03		37,803.45		1,248.58		41,101.24		(2,049.21)
Loan Participation	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Allowance for Loan Losses	4,919	\$ 71,714,091.89	5,304	\$ 72,825,256.68	(385)	\$ (1,111,164.79)	6,080	\$ 84,370,690.96	(1,161)	\$ (12,656,599.07)
Net Loans		\$ (1,801,793.69)		\$ (1,833,890.42)		\$ (32,096.73)		\$ (1,968,019.66)		\$ (166,225.97)
		\$ 69,912,298.20		\$ 70,991,366.26		\$ (1,079,068.06)		\$ 82,402,671.30		\$ (12,490,373.10)
Cash		10,423,628.80		4,158,465.88		6,265,162.92		2,589,709.27		7,833,919.53
Investments		50,768,120.60		54,799,223.49		(4,031,102.89)		40,230,765.38		10,537,355.22
Other Assets		4,299,325.12		4,146,635.90		152,689.22		4,273,215.60		26,109.52
Land and Building		361,408.40		369,339.68		(7,931.28)		369,234.05		(7,825.65)
Furniture and Equipment		2,464,484.80		2,406,113.48		58,371.32		2,444,134.78		20,350.02
Other Assets		7,125,218.32		6,922,089.06		\$ 203,129.26		\$ 7,086,584.43		\$ 38,633.89
Total Other Assets		\$ 138,229,265.92		\$ 136,871,144.69		\$ 1,358,121.23		\$ 132,309,730.38		\$ 5,919,535.54
Liabilities and Equity										
Accounts Payable/Liabilities		\$ 2,964,466.70		\$ 831,093.27		\$ 2,133,373.43		\$ 1,161,982.50		\$ 1,802,484.20
Total Borrowings				1,400,000.00		(1,400,000.00)		1,900,000.00		(1,900,000.00)
Member Deposits										
Savings and Clubs	15,012	47,660,069.59	15,060	47,499,109.23	(48)	160,960.36	15,504	42,592,074.51	(492)	5,067,995.08
Money Market accounts	869	26,156,617.55	867	25,978,803.90	2	177,813.65	867	24,500,874.95	2	1,655,742.60
Checking	7,510	21,445,339.97	7,502	21,147,400.61	8	297,939.36	7,027	19,083,897.26	483	2,361,442.71
Certificates	1,317	18,494,609.13	1,327	18,554,722.70	(10)	(60,113.57)	1,501	21,107,642.94	(184)	(2,613,033.81)
Demand IRAs	562	5,731,380.05	560	5,655,464.85	2	75,915.20	583	5,636,414.69	(21)	94,965.36
IRA Certificates	536	6,187,671.94	531	6,240,072.93	5	(52,400.99)	569	6,860,699.31	(33)	(673,027.37)
Total Member Deposits	25,806	\$ 125,675,688.23	25,847	\$ 125,075,574.22	(41)	\$ 600,114.01	26,051	\$ 119,781,603.66	(245)	\$ 5,894,084.57
Capital										
Regular Reserves		5,459,831.13		5,459,831.13		0.00		5,329,917.13		129,914.00
Undivided Earnings		4,129,279.86		4,104,646.07		24,633.79		4,136,227.09		(6,947.23)
Other Capital		0.00		0.00		0.00		0.00		0.00
Total Capital		\$ 9,589,110.99		\$ 9,564,477.20		\$ 24,633.79		\$ 9,466,144.22		\$ 122,966.77
Total Liabilities and Equity		\$ 138,229,265.92		\$ 136,871,144.69		\$ 1,358,121.23		\$ 132,309,730.38		\$ 5,919,535.54

TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF MAY 31, 2012

	Current Month Amount	Year to Date Amount	Prior Year to Date Amount	Difference	Budget Ytd	Budget Difference	%
Income							
Interest on Loans	\$ 345,160.11	\$ 1,773,730.77	\$ 2,205,522.94	\$ -431,792.17	\$ 1,890,000	\$ (116,269)	-6%
Income from Investments	36,687.25	282,289.45	259,718.89	22,570.56	275,000	7,289	3%
Investment Services Income	19,003.60	93,404.43	61,045.13	32,359.30	70,000	23,404	33%
Fee Income	90,888.51	366,405.20	259,607.21	106,797.99	248,250	118,155	48%
Other Operating Income	10,198.62	175,096.70	339,620.82	-164,524.12	315,000	(19,933)	-4%
Total Income	\$ 501,938.09	\$ 2,690,896.55	\$ 3,125,515.49	\$ -434,618.94	\$ 2,798,250	\$ (107,353)	-4%
Operating Expenses							
Employee Compensation	219,124.15	1,088,016.78	1,068,004.89	20,011.89	1,037,500	50,517	5%
Employee Incentives	60.00	285.00	250.00	35.00	1,000	(715)	-72%
Employee Benefits	35,375.90	213,484.93	197,552.02	15,932.91	195,000	18,485	9%
Meetings	3,847.58	8,676.50	11,893.71	-3,217.21	10,700	(2,024)	-19%
Loan Servicing	16,061.31	55,782.28	55,426.64	355.64	465,000	9,262	20%
State Banking Dept. Fee	1,283.00	6,415.00	6,322.50	92.50	7,000	(585)	-8%
Office Occupancy	36,445.06	176,895.70	172,576.63	4,319.07	186,250	(9,354)	-5%
Office Operations	48,913.23	270,136.94	289,204.01	-19,067.07	314,000	(43,863)	-14%
Miscellaneous Expenses	2,474.56	9,743.04	5,049.41	4,693.63	6,500	3,243	50%
Member Insurance	1,450.00	4,730.00	8,500.00	-3,770.00	6,250	(1,500)	-24%
Associational Dues	2,094.01	11,287.65	9,998.66	1,288.99	11,625	(336)	-3%
Educational & Training	1,580.01	9,449.91	16,345.09	-6,895.18	19,550	(10,100)	-52%
Professional & Outside Services	70,955.75	365,211.77	359,829.49	5,382.28	365,500	(268)	0%
Travel and Conference	985.14	4,608.83	4,702.50	-101.67	7,500	(2,899)	-39%
Promotional Expenses	15,725.18	50,020.42	69,244.47	-19,224.05	77,250	(27,230)	-35%
Cash Short/Over	17.68	429.03	1,059.74	-630.71	1,000	(571)	-57%
Deposit Account Adjustments	2,462.44	20,529.74	11,021.35	9,508.39	15,000	5,530	37%
Total Operating Expenses	\$ 480,855.03	\$ 2,295,694.92	\$ 2,287,081.71	\$ 8,613.21	\$ 2,308,125	\$ (12,490)	-1%
Net Operating Income	\$ 41,083.06	\$ 395,201.63	\$ 838,433.78	\$ -443,232.15	\$ 490,125	\$ (94,923)	-19%
Provision for Losses	\$ (20,163.42)	\$ 480,183.80	\$ (284,576.49)	\$ 764,760.29	\$ 150,000	\$ 330,184	220%
Dividends	\$ 36,500.09	\$ 197,333.40	\$ 269,383.07	\$ -72,049.67	\$ 225,000	\$ (27,667)	-12%
Interest on Borrowed Money	\$ 112.60	\$ 1,278.89	\$ 2,371.26	\$ -1,092.37	\$ 1,500	\$ (221)	-15%
Non-Operating (Income) Expense	\$ 0.00	\$ 97,373.54	\$ 990.10	\$ 96,383.44	\$ 0	\$ (97,374)	Budget is zero
Net Income (Loss)	\$ 24,633.79	\$ (580,968.00)	\$ 850,205.84	\$ -1,231,233.84	\$ 113,625	\$ (494,593)	-435%

6/14/12
Date

6/14/12
Date

John Brady
John Brady, Treasurer

Joe Miracki
Joe Miracki, President/CEO

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.

**TUCSON OLD PUEBLO CREDIT UNION - ADDENDUM TO THE FINANCIAL STATEMENTS
AS OF MAY 31, 2012**

Loan Delinquency	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Two to Six Months	36	988,557	43	1,514,889	(7)	\$(526,332)	77	\$ 1,686,808	-41	\$ (698,251)
Six to Twelve Months	19	589,054	19	322,579	-	266,475	30	378,552	-11	210,302
Over Twelve Months	21	576,222	17	454,518	4	121,704	10	438,734	11	137,488
Total Delinquency	76	2,153,833	79	2,291,986	(3)	\$(138,153)	117	\$ 2,504,094	-41	\$ (350,261)
Ratios	Percent		Percent		Percent		Percent		Percent	
Loans/Deposits	57.06%		58.23%		-1.16%		70.44%		-13.37%	
Efficiency Ratio (YTD expenses/income)	85.31%		83.82%		1.49%		73.17%		12.14%	
Delinquent Loans/Loans	3.00%		3.15%		-0.14%		2.97%		0.04%	
Net Interest Margin	2.96%		3.17%		-0.22%		4.00%		-1.04%	
Capital Ratio	6.94%		6.99%		-0.05%		7.15%		-0.22%	
Return on Average Assets (YTD)	-0.50%		-0.69%		0.19%		1.60%		-2.10%	
Other Information	Number		Number		Number		Number		Number	
Primary Accounts	14,091		14,143		(52)		14,637		(546)	
New Primary Accounts	86		105		(19)		80		6	

TUCSON OLD PUEBLO CREDIT UNION - INVESTMENT ANALYSIS

Investment Description	Market Value	Weighted Avg Rate	Book Value	weighting factors to calculate overall weighted interest rate	Non SFAS 115 Inv.
Short Term Investments (1 year or less)					
Firstcorp Certificates	\$ 248,000	2.57%	\$ 248,000	6374	\$ 248,000
SimpliCDs	\$ 5,848,000	1.56%	5,848,000	91,463	5,848,000
QwickRateCDs					
Long Term Certificates (greater than 1 year)					
QwickRate CDs 3 yrs or less	\$ 1,593,000	2.03%	1,593,000	32,381	1,593,000
QwickRate CDs over 3 years	7,402,000	1.98%	7,402,000	146,449	7,402,000
Federal Agency Securities (greater than 1 year)					
FHLB, FNMA, FHLMC, FFCEB	\$ 20,597,818	1.31%	22,550,000	294,548	22,550,000
Mortgage Backed Securities (MBS)	\$ 12,468,215	3.87%	11,691,937	336,330	11,691,937
FirstCorp Perm. Inv. Capital	\$ 709,026	0.25%	\$ 709,026	1,773	\$ 709,026
Unamortized Premium & (Discount)	125	0.00%	125	0.00	125
MBS PREM/DISC	726,033		726,033		726,033
Total Earning Investments	\$ 49,592,217	1.79%	\$ 50,768,121	909,316	\$ 50,768,121
Securities committed that settle next month					
Total Investments	\$ 49,592,217		\$ 50,768,121		\$ 50,768,121