




TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF MAY 31, 2014

Assets	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Loans										
Credit Cards	648	\$ 857,580	627	\$ 838,525	21	\$ 19,055	450	\$ 696,999	198	\$ 160,581
Unsecured	1,581	\$ 4,275,990	1,581	\$ 4,284,701	0	\$ (8,710)	1,556	\$ 3,572,947	25	\$ 703,044
Direct Auto	1,052	\$ 10,073,131	1,072	\$ 10,228,654	(20)	\$ (155,523)	1,256	\$ 12,191,755	(204)	\$ (2,118,624)
Indirect Auto	652	\$ 9,055,911	641	\$ 8,539,970	11	\$ 515,941	790	\$ 7,520,724	(138)	\$ 1,535,187
Home Equity	338	\$ 8,078,644	342	\$ 8,123,755	(4)	\$ (45,111)	339	\$ 9,041,937	(1)	\$ (963,293)
Fixed Real Estate	356	\$ 23,194,291	359	\$ 23,319,379	(3)	\$ (125,088)	362	\$ 24,131,189	(6)	\$ (936,898)
Variable Real Estate	71	\$ 4,622,353	71	\$ 4,635,369	0	\$ (13,016)	77	\$ 5,181,804	(6)	\$ (559,451)
Savings and Certificate Secured	112	\$ 577,094	112	\$ 588,271	0	\$ (11,177)	120	\$ 681,765	(8)	\$ (104,671)
Other	49	\$ 551,294	49	\$ 566,423	0	\$ (15,128)	64	\$ 703,039	(15)	\$ (151,745)
Gross Loans	4,859	\$ 61,286,288	4,854	\$ 61,125,045	5	\$ 161,243	5,014	\$ 63,722,158	(155)	\$ (2,435,870)
						\$ -		\$ 54,414		\$ (54,414)
							\$ 0	\$ -		\$ 0
Allowance for Loan Losses	4,859	\$ 61,286,288	4,854	\$ 61,125,045	5	\$ 161,243	5,014	\$ 63,776,572	(155)	\$ (2,490,284)
		\$ (1,365,671)		\$ (1,483,167)		\$ (117,496)		\$ (1,608,819)		\$ (243,148)
Net Loans		\$ 59,920,617		\$ 59,641,878		\$ 278,739		\$ 62,167,753		\$ (2,247,136)
Cash		\$ 14,278,628		\$ 12,882,811		\$ 1,395,816		\$ 19,626,271		\$ (5,347,644)
Investments		\$ 56,912,521		\$ 57,074,189		\$ (161,668)		\$ 47,291,012		\$ 9,621,509
Other Assets										
Land and Building		\$ 4,025,998		\$ 4,036,963		\$ (10,965)		\$ 4,155,798		\$ (129,800)
Furniture and Equipment		\$ 274,221		\$ 263,258		\$ 10,963		\$ 333,433		\$ (59,212)
Other Assets		\$ 2,770,734		\$ 2,808,558		\$ (37,823)		\$ 2,536,854		\$ 233,881
Total Other Assets		\$ 7,070,953		\$ 7,108,778		\$ (37,825)		\$ 7,026,085		\$ 44,868
Total Assets		\$ 138,182,719		\$ 136,707,657		\$ 1,475,062		\$ 136,111,122		\$ 2,071,597
Liabilities and Equity										
Accounts Payable/Liabilities		\$ 769,018		\$ 705,984		\$ 63,033		\$ 679,251		\$ 89,767
Total Borrowings		\$ -		\$ -		\$ -		\$ -		\$ -
Member Deposits										
Savings and Clubs	13,746	\$ 55,644,888	13,766	\$ 54,685,249	(20)	\$ 959,639	14,260	\$ 51,588,810	(514)	\$ 4,056,078
Money Market accounts	805	\$ 23,506,962	806	\$ 23,719,162	(1)	\$ (212,200)	829	\$ 24,037,889	(24)	\$ (530,927)
Checking	7,740	\$ 24,614,039	7,724	\$ 23,689,646	16	\$ 924,413	7,643	\$ 23,093,280	97	\$ 1,520,779
Certificates	1,008	\$ 14,515,524	1,016	\$ 15,013,294	(8)	\$ (497,770)	1,154	\$ 16,871,645	(146)	\$ (2,356,121)
Demand IRAs	510	\$ 5,455,294	510	\$ 5,463,762	0	\$ (8,468)	510	\$ 5,514,545	0	\$ (59,251)
IRA Certificates	420	\$ 4,651,015	422	\$ 4,656,080	(2)	\$ (5,064)	465	\$ 5,363,448	(45)	\$ (712,432)
Total Member Deposits	24,229	\$ 128,387,743	24,244	\$ 127,227,192	(15)	\$ 1,160,551	24,861	\$ 126,469,617	(632)	\$ 1,918,126
Capital										
Regular Reserves		\$ 5,731,571		\$ 5,731,571		\$ -		\$ 5,700,683		\$ 30,888
Undivided Earnings		\$ 3,355,823		\$ 3,233,533		\$ 122,290		\$ 3,275,401		\$ 80,421
Unrealized Gain/Loss (AFS)		\$ (61,435)		\$ (190,623)		\$ 129,189		\$ (13,830)		\$ (47,605)
Total Capital		\$ 9,025,958		\$ 8,774,480		\$ 251,478		\$ 8,962,254		\$ 63,704
Total Liabilities and Equity		\$ 138,182,719		\$ 136,707,657		\$ 1,475,062		\$ 136,111,122		\$ 2,071,597

TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF MAY 31, 2014

Income	Current Month		Year to Date		Prior Year to Date		Budget		%
	Amount	Amount	Amount	Amount	Amount	Difference	Ytd	Difference	
Interest on Loans	\$ 281,059	\$ 1,338,410	\$ 1,481,105	\$ (142,695)	\$ 1,408,182	\$ (69,772)			-5%
Income from Investments	\$ 74,697	\$ 340,859	\$ 213,043	\$ 127,816	\$ 325,659	\$ 15,200			5%
Investment Services Income	\$ 11,210	\$ 96,067	\$ 99,878	\$ (3,810)	\$ 87,163	\$ 8,904			10%
Fee Income	\$ 90,467	\$ 431,942	\$ 489,604	\$ (57,662)	\$ 509,289	\$ (77,347)			-15%
Other Operating Income	\$ 12,083	\$ 116,090	\$ 128,777	\$ (12,687)	\$ 89,558	\$ 26,532			30%
Total Income	\$ 469,516	\$ 2,323,368	\$ 2,412,407	\$ (89,039)	\$ 2,419,851	\$ (96,483)			-4%
Operating Expenses									
Employee Compensation	\$ 205,071	\$ 972,253	\$ 996,778	\$ (24,525)	\$ 958,820	\$ 13,433			1%
Employee Incentives	\$ 10	\$ 120	\$ 260	\$ (140)	\$ 500	\$ (380)			-76%
Employee Benefits	\$ 36,638	\$ 196,060	\$ 200,122	\$ (4,062)	\$ 209,884	\$ (13,824)			-7%
Meetings	\$ 2,351	\$ 7,293	\$ 7,593	\$ (300)	\$ 6,044	\$ 1,249			21%
Loan Servicing	\$ 18,479	\$ 84,243	\$ 71,338	\$ 12,905	\$ 67,380	\$ 16,863			25%
State Banking Dept. Fee	\$ 1,314	\$ 6,572	\$ 6,623	\$ (51)	\$ 6,575	\$ (3)			0%
Office Occupancy	\$ 34,764	\$ 172,686	\$ 179,883	\$ (7,197)	\$ 195,214	\$ (22,528)			-12%
Office Operations	\$ 50,697	\$ 233,380	\$ 238,258	\$ (4,878)	\$ 244,810	\$ (11,430)			-5%
Miscellaneous Expenses	\$ 1,354	\$ 4,522	\$ 3,539	\$ 983	\$ 5,440	\$ (918)			-17%
Member Insurance	\$ -	\$ 400	\$ 1,000	\$ (600)	\$ -	\$ 400			BUDGET IS ZERO
NCUSIF Corp Stabilization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			BUDGET IS ZERO
Association Dues	\$ 2,197	\$ 10,784	\$ 11,948	\$ (1,164)	\$ 9,480	\$ 1,304			14%
Educational & Training	\$ -	\$ 1,949	\$ 5,152	\$ (3,203)	\$ 6,793	\$ (4,844)			-71%
Professional & Outside Services	\$ 88,413	\$ 378,198	\$ 400,163	\$ (21,964)	\$ 349,185	\$ 29,013			8%
Travel and Conference	\$ -	\$ 184	\$ 2,142	\$ (1,958)	\$ 1,000	\$ (816)			BUDGET IS ZERO
Promotional Expenses	\$ 4,828	\$ 22,082	\$ 43,402	\$ (21,320)	\$ 20,809	\$ 1,273			6%
Cash Short/Over	\$ 274	\$ 1,364	\$ 531	\$ 833	\$ -	\$ 1,364			BUDGET IS ZERO
Deposit Account Adjustments	\$ 2,365	\$ 7,513	\$ 20,643	\$ (13,129)	\$ 17,000	\$ (9,487)			-56%
Total Operating Expenses	\$ 448,755	\$ 2,099,603	\$ 2,189,374	\$ (89,771)	\$ 2,098,934	\$ 669			0%
Net Operating Income	\$ 20,761	\$ 223,765	\$ 223,032	\$ 732	\$ 320,917	\$ (97,152)			-30%
Provision for Losses	\$ (119,229)	\$ 93,514	\$ (22,211)	\$ 115,725	\$ 272,766	\$ (179,252)			-66%
Provision OREO	\$ -	\$ -	\$ 17,888	\$ (17,888)	\$ 3,000	\$ (3,000)			-100%
Dividends	\$ 17,700	\$ 88,129	\$ 103,744	\$ (15,615)	\$ 96,067	\$ (7,938)			-8%
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	\$ -	\$ -	\$ 61,798	\$ (61,798)	\$ -	\$ -			BUDGET IS ZERO
Net Income (Loss)	\$ 122,290	\$ 42,100	\$ 61,892	\$ (19,792)	\$ (72,996)	\$ 115,096			-158%

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

6/12/14
 Date
 6.17.14
 Date
 6/13/14
 Date

**TUCSON OLD PUEBLO CREDIT UNION - ADDENDUM TO THE FINANCIAL STATEMENTS
AS OF MAY 31, 2014**

Loan Delinquency	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>
60-179 DAYS	23	486,396	15	331,924	8	\$ 154,472	15	\$ 272,618	8	\$ 213,778
180-359 DAYS	3	199,851	3	200,111	-	(260)	4	120,396	-1	79,455
OVER 359 DAYS	2	55,696	3	69,653	(1)	(13,957)	6	75,336	-4	(19,640)
Total Delinquency	28	\$ 741,943	21	\$ 601,688	7	\$ 140,255	25	\$ 468,350	3	\$ 273,593
Ratios	<u>Percent</u>		<u>Percent</u>		<u>Percent</u>		<u>Percent</u>		<u>Percent</u>	
Loans/Deposits	47.74%		48.04%		-0.31%		50.43%		-2.69%	
Efficiency Ratio (YTD expenses/income)	90.37%		89.05%		1.32%		90.75%		-0.39%	
Delinquent Loans/Loans	1.21%		0.98%		0.23%		0.73%		0.48%	
Net Interest Margin	2.90%		2.77%		0.13%		2.76%		0.14%	
Capital Ratio	6.58%		6.56%		0.02%		6.58%		-0.01%	
Return on Average Assets (YTD)	0.07%		-0.18%		0.25%		0.11%		-0.04%	
Other Information	<u>Number</u>		<u>Number</u>		<u>Number</u>		<u>Number</u>		<u>Number</u>	
Primary Accounts	12,703		12,727		(24)		13,254		(551)	
New Primary Accounts	98		96		2		75		23	

TUCSON OLD PUEBLO CREDIT UNION - INVESTMENT ANALYSIS

Investment Description	Market Value	Weighted Avg Yield	Par Value	weighting factors to calculate overall weighted interest rate	Non SFAS 115 Inv.
Short Term Investments (1 year or less)					
Firstcorp Certificates					
Certificates of Deposit	\$ 2,784,000	0.78%	\$ 2,784,000	\$ 21,618	\$ 2,784,000
Long Term Certificates (greater than 1 year)					
Certificates of Deposit 3 yrs or less	\$ 10,946,000	1.65%	\$ 10,946,000	\$ 180,762	\$ 10,946,000
Certificates of Deposit over 3 years	6,221,000	1.61%	6,221,000	100,264	6,221,000
Federal Agency Securities (greater than 1 year)					
FHLE, FNMA, FHLMC, FFCB	\$ 13,960,612	0.96%	\$ 14,000,000	\$ 134,820	
Mortgage Backed Securities (MBS)	\$ 19,090,382	2.81%	\$ 18,612,046	\$ 523,557	
Agency CMO	\$ 3,028,172	1.84%	\$ 3,020,699	\$ 55,671	
Unrealized Gain/Loss (AFS)			\$ (61,435)		
AGENCY PREM/DISC			\$ (2,135)		
MBS PREM/DISC			\$ 624,332		
CMO PREM/DISC			\$ 5,807		
FirstCorp Perm. Inv. Capital	\$ 428,395	0.25%	\$ 428,395	\$ 1,071	\$ 428,395
Catalyst FCU Capital	\$ 333,813	0.66%	\$ 333,813	\$ 2,203	\$ 333,813
Total Earning Investments	\$ 56,792,374	1.79%	\$ 56,912,521	\$ 1,019,966	20,713,208
Securities committed that settle next month	-		-		
Total Investments	\$ 56,792,374		\$ 56,912,521		