



State of Wisconsin
Department of Financial Institutions

Tony Evers, **Governor**

Cheryll Olson-Collins, **Secretary**

February 23, 2022

Office of Governor Tony Evers
State Capitol
P.O. Box 7863
Madison, WI 53707

RE: OFFICE OF CREDIT UNIONS ANNUAL REPORT

Per the requirement of s. 186.235(12) Wis. Stats., enclosed is the 2021 Year-End Credit Union Bulletin from the Office of Credit Unions. This annual report summarizes the condition of credit unions doing business in the state and is based on a compilation of the year-end 5300 Call Reports filed by each state-chartered credit union. Overall, Wisconsin credit unions are exhibiting strong financial performance and continue to provide needed financial products and services to Wisconsin citizens.

The Office of Credit Unions will designate 113 copies of the report available for general distribution. Each credit union is entitled to one copy.

If you have questions, please contact me at (608) 267-2608 or kim.santos@dfi.wisconsin.gov.

Sincerely,

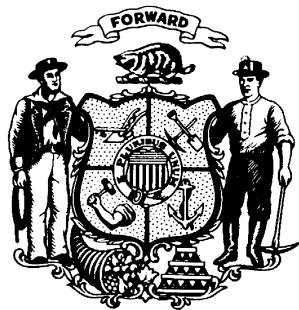
Kim Santos

Kim Santos
Director
Office of Credit Unions



Office of Credit Unions

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2021 YEAR END CREDIT UNION BULLETIN

This bulletin highlights the 2021 financial performance for Wisconsin state-chartered credit unions. At yearend 2021, there were 113 state-chartered credit unions, three federal credit unions, and a corporate credit union serving Wisconsin citizens.

As of December 31, 2021, total assets were \$55.9 billion. Assets increased by \$6.4 billion, a growth rate of nearly 13.0%. Net worth increased by \$552.7 million. Total net worth at yearend was \$5.7 billion, a capital adequacy ratio of 10.42%.

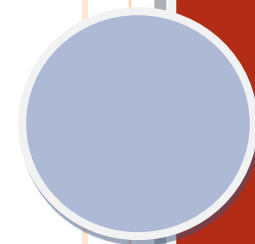
Credit unions reported earnings of over \$649 million. The return on average assets ratio was 1.23% compared to 1.12% in 2020. The 2021 operating expense ratio was 2.87% compared to 3.04% in 2020.

Loans increased over \$2.9 billion in 2021 to a total of \$38.1 billion. Savings grew with an increase of \$5.8 billion, and the loan to savings ratio decreased from 83.14% to 79.21% in 2021. Delinquent loans as a percentage of loans decreased to 0.52% in 2021 from 0.56% in 2020. Credit unions decreased their allowance for loan losses to \$226.0 million from \$269.1 million at yearend 2020.

Overall, Wisconsin credit unions continue to perform well based on the information reported at yearend 2021.

Additional information regarding credit union consolidations and liquidations, historical data on Wisconsin state-chartered credit unions, the December 31, 2021 Statement of Financial Condition and Statement of Income for Corporate Central Credit Union, and a listing of all Wisconsin credit unions at yearend 2021 are included in this bulletin.

Kim Santos, Director
Office of Credit Unions



Annual Meetings

Due to the COVID-19 pandemic, the Office of Credit Unions has issued information about 2022 Annual Meetings. The letter can be found at www.wdfi.org under the COVID-19 Information and Resources section.

Supervisory Priorities for 2022

In January 2022, the National Credit Union Administration (NCUA) published a Letter to Credit Unions, No. 22-CU-02, *Examination Program*, that outlines the Supervisory Priorities for 2022 and provides Exam Program Updates. All credit unions are encouraged to review this letter.

Effective January 1, 2022, complex credit unions (those with assets over \$500 million) are subject to the NCUA risk-based capital (RBC) requirements. In support of this new capital adequacy framework, there will be changes to the quarterly 5300 Call Report starting with the reporting period of March 31, 2022. Complex credit unions' prompt corrective action net worth categories will incorporate the results of their risk-based capital ratios. Complex credit unions that qualify may alternatively opt into the Complex Credit Union Leverage Ratio (CCULR) framework and not be required to report on RBC to satisfy their regulatory capital requirements.

5300 CALL REPORT

The March 31, 2022, 5300 Call Report will have significant changes. All credit unions can access information on the Call Report at:

<https://www.ncua.gov/regulation-supervision/regulatory-reporting/cuonline>

As a reminder, the Call Report due dates for 2022 are:

- January 30, 2022
- April 30, 2022
- July 30, 2022
- October 30, 2022

MERIT

In 2021, the Office of Credit Unions transitioned to new examination software, MERIT (Modern Examination & Risk Identification Tool). OCU Letter CU 3-21 was issued. In addition, the NCUA issued a Letter to Credit Unions, No. 21-CU-08, *Implementation of Modernized Systems – NCUA Operations and Activities*. All credit unions are encouraged to review these letters for information about MERIT and examinations.

Current Expected Credit Losses (CECL) Methodology

Credit unions will be required to implement the Financial Accounting Standards Board's Accounting Standards Update No. 2016-13, Topic 326 by January 1, 2023. This is commonly referenced as CECL. Credit unions with assets less than \$10 million are not required to follow generally accepted accounting principles (GAAP) and therefore do not have to implement CECL. All other credit unions will be required to have a reasonable reserve methodology that adequately covers known and probable loan losses.

The NCUA has a list of CECL resources on their website at:

<https://www.ncua.gov/regulation-supervision/regulatory-compliance-resources/cecl-resources>

The OCU will discuss the preparation for CECL during 2022 examinations and will also provide a guidance letter later this year.

Office of Credit Unions Employee Changes

The Office of Credit Unions hired the following financial examiners: Ala Kowalski, Ashlyn Fier, Lidia Flores and Michael Dembowski. Lynn Keitel has also returned to assist in training the new examiners.

**COMPARISON STATEMENTS OF CONDITION
OF WISCONSIN CREDIT UNIONS
DECEMBER 31, 2021 and DECEMBER 31, 2020**

	<u>December 31, 2021</u>		<u>December 31, 2020</u>		Increase or Decrease	<u>% Change</u>
<u>Number of Credit Unions</u>	113		118		-5	-4.2%
	<u>AMOUNT</u>	<u>% OF ASSETS</u>	<u>AMOUNT</u>	<u>% OF ASSETS</u>		
<u>ASSETS</u>						
Personal Loans	16,226,866,571	29.0%	14,904,161,261	30.1%	1,322,705,310	8.9%
Real Estate Loans	21,847,583,034	39.1%	20,205,255,301	40.8%	1,642,327,733	8.1%
Total Loans	38,074,449,605	68.1%	35,109,416,562	70.9%	2,965,033,043	8.4%
Allowance for Loan Losses	226,037,325	0.4%	269,124,148	0.5%	-43,086,823	-16.0%
Net Loans	37,848,412,280	67.7%	34,840,292,414	70.3%	3,008,119,866	8.6%
Cash	8,311,053,079	14.9%	7,236,656,789	14.6%	1,074,396,290	14.8%
Investments	6,912,042,380	12.4%	4,749,671,528	9.6%	2,162,370,852	45.5%
Fixed Assets	1,105,566,628	2.0%	1,052,918,472	2.1%	52,648,156	5.0%
Other Assets	1,713,809,217	3.1%	1,645,304,654	3.3%	68,504,563	4.2%
TOTAL ASSETS	<u>55,890,883,584</u>	100.0%	<u>49,524,843,857</u>	100.0%	<u>6,366,039,727</u>	12.9%
<u>LIABILITIES</u>						
Regular Shares	16,230,027,280	29.0%	13,178,770,661	26.6%	3,051,256,619	23.2%
Share Drafts	9,357,284,607	16.7%	8,188,496,732	16.5%	1,168,787,875	14.3%
Other Shares & Deposits	22,479,236,919	40.2%	20,862,277,946	42.1%	1,616,958,973	7.8%
Total Savings	48,066,548,806	86.0%	42,229,545,339	85.3%	5,837,003,467	13.8%
Notes and Accounts Pay.	2,076,608,436	3.7%	2,100,319,485	4.2%	-23,711,049	-1.1%
Regular Reserve	1,226,506,831	2.2%	1,148,698,982	2.3%	77,807,849	6.8%
Other Reserves	4,521,219,511	8.1%	4,046,280,051	8.2%	474,939,460	11.7%
TOTAL LIABILITIES	<u>55,890,883,584</u>	100.0%	<u>49,524,843,857</u>	100.0%	<u>6,366,039,727</u>	12.9%

**STATEMENT OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIOD ENDING DECEMBER 31, 2021**

INCOME	<u>AMOUNT</u>	<u>% OF GROSS INCOME</u>	<u>% OF AVERAGE ASSETS</u>
Interest on Loans	1,579,327,211	64.96%	3.00%
Less: Interest Refunds	<u>6,150,783</u>	0.25%	0.01%
Net Interest Income	1,573,176,428	64.71%	2.99%
Income on Investments	83,886,313	3.45%	0.16%
Non Interest Income	<u>774,189,713</u>	31.84%	1.47%
TOTAL OPERATING INCOME	2,431,252,454	100.00%	4.61%
 ADMINISTRATIVE EXPENSES			
Employee Costs	777,033,977	31.96%	1.47%
Travel and Conference	7,872,931	0.32%	0.01%
Office Occupancy	87,629,033	3.60%	0.17%
General Operations	242,628,673	9.98%	0.46%
Education and Promotion	62,354,153	2.56%	0.12%
Loan Servicing	186,417,675	7.67%	0.35%
Professional Services	102,176,181	4.20%	0.19%
Member Insurance	341,121	0.01%	0.00%
Operating Fees	3,886,587	0.16%	0.01%
Other Operational Expenses	<u>40,146,492</u>	1.65%	0.08%
TOTAL ADMINISTRATIVE	1,510,486,823	62.13%	2.87%
Provision for Loan Loss	<u>20,420,306</u>	0.84%	0.04%
TOTAL OPERATING EXPENSES	1,530,907,129	62.97%	2.91%
Dividends Paid on Savings	222,888,002	9.17%	0.42%
Interest on Borrowed Funds	<u>28,448,600</u>	1.17%	0.05%
TOTAL COST OF FUNDS	251,336,602	10.34%	0.48%
TOTAL EXPENSES	1,782,243,731	73.31%	3.38%
NET INCOME	649,008,723	26.69%	1.23%

**COMPARISON STATEMENTS OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIODS ENDING DECEMBER 31, 2021 AND DECEMBER 31, 2020**

	2021	% OF AVERAGE ASSETS	2020	% OF AVERAGE ASSETS
	<u>AMOUNT</u>		<u>AMOUNT</u>	
INCOME				
Interest on Loans	1,579,327,211	3.00%	1,566,389,923	3.46%
Less: Interest Refunds	<u>6,150,783</u>	<u>0.01%</u>	<u>4,562,821</u>	<u>0.01%</u>
Net Interest Income	1,573,176,428	2.99%	1,561,827,102	3.45%
Income on Investments	83,886,313	0.16%	86,336,127	0.19%
Non Interest Income	<u>774,189,713</u>	<u>1.47%</u>	<u>740,027,833</u>	<u>1.63%</u>
TOTAL OPERATING INCOME	2,431,252,454	4.61%	2,388,191,062	5.27%
ADMINISTRATIVE EXPENSES				
Employee Costs	777,033,977	1.47%	728,940,775	1.61%
Travel and Conference	7,872,931	0.01%	7,185,559	0.02%
Office Occupancy	87,629,033	0.17%	80,941,174	0.18%
General Operations	242,628,673	0.46%	217,090,588	0.48%
Education and Promotion	62,354,153	0.12%	55,303,198	0.12%
Loan Servicing	186,417,675	0.35%	159,462,336	0.35%
Professional Services	102,176,181	0.19%	87,456,876	0.19%
Member Insurance	341,121	0.00%	221,636	0.00%
Operating Fees	3,886,587	0.01%	3,729,304	0.01%
Other Operational Expenses	<u>40,146,492</u>	<u>0.08%</u>	<u>38,054,150</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	1,510,486,823	2.87%	1,378,385,596	3.04%
Provision for Loan Loss	<u>20,420,306</u>	<u>0.04%</u>	<u>151,997,619</u>	<u>0.34%</u>
TOTAL OPERATING EXPENSES	1,530,907,129	2.91%	1,530,383,215	3.38%
COST OF ACQUISITION OF FUNDS				
Dividends Paid on Savings	222,888,002	0.42%	320,201,453	0.71%
Interest on Borrowed Funds	<u>28,448,600</u>	<u>0.05%</u>	<u>31,496,467</u>	<u>0.07%</u>
TOTAL COST OF FUNDS	<u>251,336,602</u>	<u>0.48%</u>	<u>351,697,920</u>	<u>0.78%</u>
TOTAL EXPENSES	1,782,243,731	3.38%	1,882,081,135	4.15%
NET INCOME	649,008,723	1.23%	506,109,927	1.12%

**SIGNIFICANT OPERATIONAL RATIOS
FOR ALL WISCONSIN CREDIT UNIONS
2016-2021**

	2016	2017	2018	2019	2020	2021
Number of Credit Unions	143	129	125	121	118	113
<u>CAPITAL ADEQUACY</u>						
Net Worth/Total Assets	11.08%	11.28%	11.49%	11.40%	10.45%	10.42%
Total Delinquency/Net Worth	5.25%	4.91%	4.89%	4.86%	3.83%	3.43%
Solvency Evaluation	112.98%	113.42%	113.60%	113.57%	112.31%	111.97%
Classified Assets/Net Worth	4.57%	4.25%	4.25%	4.25%	4.25%	3.88%
<u>ASSET QUALITY</u>						
Delinquent Loans/Loans	0.75%	0.70%	0.69%	0.70%	0.56%	0.52%
Net Charge Offs/Avg. Loans	0.25%	0.25%	0.27%	0.26%	0.24%	0.17%
<u>EARNINGS (to Average Assets)</u>						
Return on Average Assets	1.09%	1.14%	1.13%	1.10%	1.12%	1.23%
Net Operating Expense	2.60%	2.58%	2.63%	2.69%	2.58%	2.43%
Fixed Assets+FRA's**/Assets	2.31%	2.23%	2.31%	2.31%	2.16%	2.03%
Gross Income	4.89%	4.96%	5.25%	5.50%	5.25%	4.61%
Cost of Funds	0.45%	0.50%	0.68%	0.93%	0.78%	0.48%
Operating Exp. (less PLL)	3.19%	3.14%	3.18%	3.23%	3.04%	2.87%
Net Interest Margin	3.00%	3.10%	3.18%	3.21%	2.87%	2.67%
Provision for Loan Losses	0.17%	0.22%	0.26%	0.26%	0.34%	0.04%
<u>ASSET-LIABILITY MANAGEMENT</u>						
Net Long Term Assets/Assets	33.41%	34.51%	34.38%	33.51%	32.81%	35.99%
Shares/Savings+Borrowings	31.63%	31.98%	30.28%	28.87%	30.20%	32.82%
Loans/Savings	91.21%	94.94%	97.65%	95.06%	83.14%	79.21%
Loans/Assets	77.59%	79.66%	81.95%	79.62%	70.89%	68.12%
Cash + ST Invest./Assets	10.85%	9.16%	9.01%	10.96%	17.60%	17.49%
<u>OTHER RATIOS</u>						
Share Growth	8.40%	7.11%	8.38%	10.75%	22.77%	13.90%
Net Worth Growth	10.47%	10.53%	10.36%	10.10%	10.57%	12.67%
Loan Growth	10.01%	11.49%	11.48%	7.81%	7.37%	8.50%
Asset Growth	9.35%	8.60%	8.36%	10.96%	20.59%	12.94%
Investments/Assets	10.54%	9.42%	7.87%	7.41%	9.59%	12.37%
Employee Cost/Gross Inc.	34.34%	32.76%	31.18%	30.09%	30.67%	31.96%
Employee Cost/ Avg. Assets	1.68%	1.63%	1.64%	1.65%	2.15%	1.47%
Average Loan Balance	\$13,079	\$14,104	\$14,829	\$15,300	\$16,081	\$16,284
Average Savings Balance	\$4,900	\$4,997	\$5,138	\$5,417	\$6,450	\$7,154

**Foreclosed and Repossessed Assets

**SIGNIFICANT OPERATIONAL RATIOS
FOR THE PERIOD ENDING DECEMBER 31, 2021**

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	6	10	28	17	35	17	113
<u>CAPITAL ADEQUACY</u>							
Net Worth/Total Assets	22.19%	11.55%	11.42%	9.61%	10.59%	10.39%	10.42%
Net Worth/PCA Optional Total Assets	22.19%	11.55%	11.42%	9.65%	10.60%	10.41%	10.44%
Total Delinquency/Net Worth	4.26%	8.79%	2.56%	2.41%	1.59%	3.79%	3.43%
Solvency Evaluation	128.70%	113.12%	112.87%	110.65%	112.00%	111.99%	111.97%
Classified Assets/Net Worth	4.46%	4.55%	2.75%	3.45%	2.36%	4.18%	3.88%
<u>ASSET QUALITY</u>							
Delinquent Loans/Loans	1.53%	1.75%	0.52%	0.43%	0.26%	0.57%	0.52%
Net Charge Offs/Avg. Loans	0.06%	0.40%	0.19%	0.08%	0.09%	0.19%	0.17%
Fair Value/Book Value for HTM	N/A	N/A	99.87%	99.14%	96.63%	100.10%	99.13%
Accumulated Unrealized Gains or Losses on AFS/Cost of AFS	N/A	N/A	-1.30%	-0.74%	-0.58%	-1.03%	-0.97%
Delinquent Loans/Assets	0.95%	1.02%	0.29%	0.23%	0.17%	0.39%	0.36%
<u>EARNINGS (to Average Assets)</u>							
Return on Average Assets	0.23%	-0.01%	0.33%	0.45%	0.71%	1.36%	1.23%
Gross Income	3.42%	3.41%	3.55%	3.57%	4.03%	4.76%	4.61%
Yield on Average Loans	5.20%	4.29%	3.90%	3.44%	4.18%	4.30%	4.26%
Yield on Average Investments	0.47%	0.24%	0.56%	0.58%	0.76%	0.62%	0.64%
Fee & Other Op. Income	0.03%	0.26%	0.69%	0.99%	1.12%	1.51%	1.43%
Cost of Funds	0.33%	0.35%	0.19%	0.24%	0.31%	0.52%	0.48%
Net Margin	3.11%	3.04%	3.33%	3.31%	3.67%	4.21%	4.10%
Operating Exp. (less PLL)	2.88%	2.93%	2.97%	2.89%	3.00%	2.84%	2.87%
Provision for Loan Losses	0.09%	0.13%	0.05%	-0.01%	0.01%	0.04%	0.04%
Net Interest Margin	3.09%	2.78%	2.63%	2.32%	2.55%	2.70%	2.67%
Operating Exp./Gross Income	81.53%	85.91%	83.73%	80.97%	74.50%	59.64%	62.13%
Fixed Assets+FRA's**/Assets	0.01%	0.67%	1.33%	2.01%	2.44%	1.97%	2.03%
Net Operating Expense	2.86%	2.75%	2.64%	2.45%	2.56%	2.41%	2.43%
<u>ASSET-LIABILITY MANAGEMENT</u>							
Net Long Term Assets/Assets	2.70%	3.00%	21.82%	28.76%	35.69%	36.52%	35.99%
Shares/Savings+Borrowings	86.22%	64.02%	57.52%	47.76%	39.91%	30.74%	32.82%
Loans/Savings	79.58%	66.07%	63.69%	59.54%	74.47%	80.88%	79.21%
Loans/Assets	61.62%	58.15%	56.12%	53.48%	64.86%	69.29%	68.12%
Cash + ST Investments/Assets	31.69%	35.49%	28.06%	24.13%	17.50%	17.11%	17.49%
Shares, Deposits & Borrowings/Earning Assets	77.48%	90.06%	91.68%	95.17%	94.79%	93.38%	93.58%
Shares + Drafts/Shares+Borrowings	86.22%	72.00%	77.33%	69.65%	60.96%	49.22%	51.75%
Borrowings/Shares & Net Worth	0.00%	0.00%	0.00%	0.00%	1.51%	2.86%	2.56%
<u>OTHER RATIOS</u>							
Net Worth Growth	1.04%	-0.08%	2.86%	4.76%	7.75%	14.02%	12.67%
Share Growth	5.23%	11.34%	10.45%	11.48%	11.84%	14.40%	13.90%
Loan Growth	1.62%	2.76%	5.27%	6.94%	7.31%	8.78%	8.50%
Asset Growth	4.30%	9.93%	9.40%	10.58%	10.81%	13.44%	12.94%
Investment Growth	8.94%	-23.24%	-12.55%	-6.99%	36.11%	30.67%	28.19%
Investments/Assets	10.47%	16.25%	22.26%	24.91%	16.50%	11.15%	12.37%
Employee Cost/Gross Inc.	43.89%	41.73%	40.48%	39.43%	41.11%	30.35%	31.96%
Employee Cost/ Avg. Assets	1.55%	1.42%	1.44%	1.41%	1.66%	1.45%	1.47%
Average Loan Balance	\$9,236	\$10,129	\$9,624	\$10,010	\$13,290	\$17,310	\$16,284
Average Savings Balance	\$2,846	\$4,449	\$5,445	\$5,772	\$6,620	\$7,354	\$7,154

**Foreclosed and Repossessed Assets

**ANALYSIS OF INCOME AND EXPENSES TO GROSS INCOME
FOR THE PERIOD ENDING DECEMBER 31, 2021**

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	6	10	28	17	35	17	113
<u>INCOME</u>							
Interest on Loans	91.93%	88.74%	72.59%	64.44%	66.03%	64.69%	64.96%
Less: Interest Refunds	0.00%	0.00%	0.11%	0.00%	0.00%	0.30%	0.25%
Income on Investments	4.95%	3.34%	7.04%	7.19%	4.90%	3.12%	3.45%
Fee Income	0.60%	5.27%	9.27%	12.42%	11.02%	9.11%	9.40%
Other Operating Income	0.11%	2.32%	10.22%	15.20%	16.80%	22.62%	21.62%
Gain on Equity and Trading Debt Sec.	0.00%	0.00%	0.00%	0.00%	0.15%	0.07%	0.08%
Gain on Other Investments	0.00%	0.00%	0.06%	0.30%	0.08%	0.39%	0.35%
Gain on Non-Trading Derivatives	0.00%	0.00%	0.00%	0.00%	0.00%	-0.20%	-0.17%
Gain on Disposition of Fixed Assets	0.00%	0.00%	-0.09%	0.08%	0.20%	0.04%	0.06%
Gain from Bargain Purchase (Merger)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Non-Interest Income (Expense)	<u>2.42%</u>	<u>0.33%</u>	<u>1.02%</u>	<u>0.37%</u>	<u>0.82%</u>	<u>0.45%</u>	<u>0.50%</u>
TOTAL INCOME	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>OPERATING EXPENSES</u>							
Employee Costs	43.89%	41.73%	40.48%	39.43%	41.11%	30.35%	31.96%
Travel and Conference	0.20%	1.05%	0.58%	0.44%	0.58%	0.28%	0.32%
Office Occupancy	4.13%	4.95%	5.32%	5.46%	5.18%	3.31%	3.60%
General Operations	21.14%	20.22%	16.18%	12.28%	13.03%	9.40%	9.98%
Education and Promotion	0.30%	1.50%	2.25%	2.27%	2.53%	2.58%	2.56%
Loan Servicing	2.56%	3.13%	5.43%	4.95%	3.84%	8.32%	7.67%
Professional Services	1.48%	9.42%	10.29%	13.80%	6.67%	3.56%	4.20%
Member Insurance	0.21%	0.00%	0.01%	0.01%	0.02%	0.01%	0.01%
Operating Fees	2.78%	1.32%	0.78%	0.48%	0.22%	0.13%	0.16%
Miscellaneous	<u>4.84%</u>	<u>2.59%</u>	<u>2.40%</u>	<u>1.86%</u>	<u>1.32%</u>	<u>1.68%</u>	<u>1.65%</u>
TOTAL ADMINISTRATIVE	81.53%	85.91%	83.73%	80.97%	74.50%	59.64%	62.13%
Provision for Loan Loss	<u>2.55%</u>	<u>3.94%</u>	<u>1.55%</u>	<u>-0.16%</u>	<u>0.21%</u>	<u>0.94%</u>	<u>0.84%</u>
TOTAL OPERATING EXP.	84.08%	89.86%	85.28%	80.80%	74.71%	60.58%	62.97%
<u>COST OF FUNDS</u>							
Interest on Borrowed Funds	0.00%	0.00%	0.00%	0.00%	0.54%	1.30%	1.17%
Dividends on Savings	<u>9.46%</u>	<u>10.42%</u>	<u>5.37%</u>	<u>6.68%</u>	<u>7.17%</u>	<u>9.56%</u>	<u>9.17%</u>
TOTAL COST OF FUNDS	9.46%	10.42%	5.37%	6.68%	7.71%	10.86%	10.34%
<u>NET INCOME</u>	6.46%	-0.28%	9.35%	12.51%	17.58%	28.56%	26.69%

**ANALYSIS OF INCOME AND EXPENSES TO AVERAGE ASSETS
FOR THE PERIOD ENDING DECEMBER 31, 2021**

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	6	10	28	17	35	17	113
<u>INCOME</u>							
Interest on Loans	3.25%	3.02%	2.58%	2.30%	2.66%	3.08%	3.00%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%
Income on Investments	0.17%	0.11%	0.25%	0.26%	0.20%	0.15%	0.16%
Fee Income	0.02%	0.18%	0.33%	0.44%	0.44%	0.43%	0.43%
Other Operating Income	0.00%	0.08%	0.36%	0.54%	0.68%	1.08%	1.00%
Gain on Equity and Trading Debt Sec.	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%
Gain on Other Investments	0.00%	0.00%	0.00%	0.01%	0.00%	0.02%	0.02%
Gain on Non-Trading Derivatives	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%	-0.01%
Gain on Disposition of Fixed Assets	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%
Gain from Bargain Purchase (Merger)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Non-Interest Income (Expense)	<u>0.09%</u>	<u>0.01%</u>	<u>0.04%</u>	<u>0.01%</u>	<u>0.03%</u>	<u>0.02%</u>	<u>0.02%</u>
TOTAL INCOME	3.53%	3.41%	3.55%	3.57%	4.03%	4.76%	4.61%
<u>OPERATING EXPENSES</u>							
Employee Costs	1.55%	1.42%	1.44%	1.41%	1.66%	1.45%	1.47%
Travel and Conference	0.01%	0.04%	0.02%	0.02%	0.02%	0.01%	0.01%
Office Occupancy	0.15%	0.17%	0.19%	0.19%	0.21%	0.16%	0.17%
General Operations	0.75%	0.69%	0.57%	0.44%	0.52%	0.45%	0.46%
Education and Promotion	0.01%	0.05%	0.08%	0.08%	0.10%	0.12%	0.12%
Loan Servicing	0.09%	0.11%	0.19%	0.18%	0.15%	0.40%	0.35%
Professional Services	0.05%	0.32%	0.37%	0.49%	0.27%	0.17%	0.19%
Member Insurance	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Fees	0.10%	0.05%	0.03%	0.02%	0.01%	0.01%	0.01%
Miscellaneous	<u>0.17%</u>	<u>0.09%</u>	<u>0.09%</u>	<u>0.07%</u>	<u>0.05%</u>	<u>0.08%</u>	<u>0.08%</u>
TOTAL ADMINISTRATIVE	2.88%	2.93%	2.97%	2.89%	3.00%	2.84%	2.87%
Provision for Loan Loss	<u>0.09%</u>	<u>0.13%</u>	<u>0.05%</u>	<u>-0.01%</u>	<u>0.01%</u>	<u>0.04%</u>	<u>0.04%</u>
TOTAL OPERATING EXP.	2.97%	3.06%	3.03%	2.89%	3.01%	2.89%	2.91%
<u>COST OF FUNDS</u>							
Interest on Borrowed Funds	0.00%	0.00%	0.00%	0.00%	0.02%	0.06%	0.05%
Dividends on Savings	<u>0.33%</u>	<u>0.35%</u>	<u>0.19%</u>	<u>0.24%</u>	<u>0.29%</u>	<u>0.46%</u>	<u>0.42%</u>
TOTAL COST OF FUNDS	0.33%	0.35%	0.19%	0.24%	0.31%	0.52%	0.48%
<u>NET INCOME</u>	0.23%	-0.01%	0.33%	0.45%	0.71%	1.36%	1.23%

**LOAN DELINQUENCY
PERIOD ENDING DECEMBER 31, 2021**

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	6	10	28	17	35	17	113
<u>Loan Delinquency Ratios</u>							
2 - 6 Months Delinquent	0.99%	1.14%	0.39%	0.28%	0.18%	0.47%	0.42%
6 - 12 Months Delinquent	0.03%	0.36%	0.08%	0.08%	0.05%	0.06%	0.06%
Over 12 Months Delinquent	<u>0.51%</u>	<u>0.25%</u>	<u>0.04%</u>	<u>0.07%</u>	<u>0.03%</u>	<u>0.04%</u>	<u>0.04%</u>
Total Delinquent Loans	1.53%	1.75%	0.52%	0.43%	0.26%	0.57%	0.52%
<u>Loan Loss Ratio</u>	0.06%	0.40%	0.19%	0.08%	0.09%	0.19%	0.17%

**ANALYSIS OF LOANS BY TYPE
PERIOD ENDING DECEMBER 31, 2021**

Number of Credit Unions	6	10	28	17	35	17	113
<u>Loan Types</u>							
Unsecured Credit Card Loans	0.00%	0.84%	2.09%	2.31%	1.60%	2.78%	2.60%
Non-Federally Guaranteed Student Loans	0.00%	0.00%	0.58%	0.01%	0.13%	0.95%	0.82%
All Other Unsecured Loans/Lines of Credit	7.75%	8.31%	3.29%	2.20%	1.59%	3.75%	3.44%
New Vehicle Loans	20.71%	14.35%	10.49%	7.14%	6.15%	5.78%	5.92%
Used Vehicle Loans	61.82%	54.51%	32.34%	30.00%	23.26%	19.20%	20.11%
Leases Receivable	0.00%	0.00%	0.00%	0.00%	0.00%	0.14%	0.12%
All Other Secured Non-Real Estate Loans/LOC	9.72%	13.20%	7.38%	6.54%	7.11%	9.21%	8.87%
Secured by 1st Lien 1-4 Family Residential Properties	0.00%	7.57%	40.06%	43.98%	48.89%	36.77%	38.53%
Secured by Junior Lien 1-4 Family Residential	0.00%	1.22%	3.18%	3.53%	4.09%	5.83%	5.52%
All Other Real Estate/Lines of Credit	0.00%	0.00%	0.12%	0.88%	0.91%	0.27%	0.36%
Commercial Loans/LOC Real Estate Secured	0.00%	0.00%	0.48%	3.34%	5.39%	14.57%	12.97%
Commercial Loans/LOC Not Real Estate Secured	<u>0.00%</u>	<u>0.00%</u>	<u>0.01%</u>	<u>0.06%</u>	<u>0.89%</u>	<u>0.75%</u>	<u>0.75%</u>
Total Loans	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
<u>Real Estate Loan Detail</u>							
(As a percent of loans)							
First Mortgage - Fixed > 15 yrs.	0.00%	0.00%	4.91%	7.94%	9.81%	7.18%	7.51%
First Mortgage - Fixed - 15 yrs. Or less	0.00%	2.85%	20.15%	20.67%	15.97%	14.45%	14.82%
First Mortgage - Balloon/Hybrid - > 5 yrs.	0.00%	4.29%	3.07%	5.56%	5.51%	10.00%	9.24%
First Mortgage - Balloon/Hybrid - 5 yrs. Or less	0.00%	0.39%	6.30%	4.58%	8.13%	12.65%	11.82%
First Mortgage - Other Fixed Rate	0.00%	0.00%	0.00%	0.58%	0.51%	0.37%	0.39%
First Mortgage - Adjustable - 1 year or less	0.00%	0.05%	0.25%	0.51%	2.15%	1.59%	1.63%
First Mortgage - Adjustable - > 1 year	0.00%	0.00%	5.32%	7.91%	12.29%	4.92%	5.96%
Other - Closed End Fixed	0.00%	1.18%	1.75%	1.38%	1.37%	0.94%	1.01%
Other - Closed End Adjustable	0.00%	0.03%	0.53%	0.56%	0.39%	0.39%	0.39%
Other - Open End Adjustable	0.00%	0.00%	1.46%	2.05%	3.10%	4.90%	4.56%
Other - Open-End Fixed	0.00%	0.00%	0.07%	0.00%	0.05%	0.05%	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)	0.00%	8.79%	43.83%	51.73%	59.27%	57.44%	57.38%
Total Real Estate (As a percent of assets)	0.00%	5.11%	24.60%	27.67%	38.44%	39.80%	39.09%

*This page does not include loans Held for Sale

**ANALYSIS OF SAVINGS BY TYPE
PERIOD ENDING DECEMBER 31, 2021**

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	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	6	10	28	17	35	17	113
Share Drafts	0.00%	7.98%	19.81%	21.89%	21.41%	19.07%	19.47%
Regular Shares	86.22%	64.02%	57.52%	47.76%	40.58%	31.73%	33.77%
Money Market Shares	0.00%	0.00%	9.77%	14.47%	20.36%	26.70%	25.24%
Share Certificates	13.68%	24.65%	7.86%	9.24%	10.59%	15.93%	14.91%
IRA Accounts	0.00%	1.39%	3.64%	4.53%	5.00%	4.57%	4.62%
All Other Shares	<u>0.10%</u>	<u>1.96%</u>	<u>1.40%</u>	<u>2.11%</u>	<u>2.05%</u>	<u>2.00%</u>	<u>2.00%</u>
Total Shares	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**ANALYSIS OF INVESTMENTS BY TYPE
PERIOD ENDING DECEMBER 31, 2021**

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	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	6	10	28	17	35	17	113
Equity Securities	0.00%	0.00%	0.00%	0.00%	0.31%	0.49%	0.42%
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%	9.36%	20.78%	42.54%	81.44%	69.51%
Held-to-Maturity Debt Securities	0.00%	0.00%	7.95%	19.02%	13.54%	8.59%	9.95%
Commercial Banks, S&L's, and Mutual Savings Banks	27.16%	47.62%	56.55%	39.57%	22.75%	1.63%	8.73%
Credit Unions	66.54%	20.20%	9.81%	8.44%	4.53%	1.36%	2.51%
Corporate Credit Unions	6.30%	32.19%	15.73%	12.03%	14.17%	2.11%	5.20%
Other Investments	<u>0.00%</u>	<u>0.00%</u>	<u>0.60%</u>	<u>0.15%</u>	<u>2.16%</u>	<u>4.37%</u>	<u>3.67%</u>
Total Investments	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

2021 Credit Union Consolidations

Consolidation Date	Absorbed Credit Union	Location	Continuing Credit Union	Location
4/1/2021	Post Office	Madison	Pentagon Federal	McLean, VA
7/1/2021	CONE	Neenah	Simplicity	Marshfield
8/1/2021	M.G. & E.	Madison	Heartland	Madison
8/27/2021	Peoples Choice	Medford	Royal	Eau Claire
9/30/2021	Utilities	Eau Claire	Royal	Eau Claire

**Historical Data of Wisconsin State Chartered Credit Unions
Number of Charters, Members and Assets**

Year	Charters Issued	Charters Cancelled	Total Credit Unions	Total Members	Total Assets
1923 – 1930	22	0	22	4,659	481,960
1931 – 1935	383	22	383	57,847	2,914,467
1936 – 1940	281	72	592	153,849	11,238,687
1941 – 1945	73	129	536	144,524	19,064,115
1946 – 1950	76	70	542	193,296	42,875,076
1951 – 1955	204	50	696	292,552	120,562,491
1956 – 1960	112	75	733	363,444	206,392,419
1961 – 1965	118	70	781	493,399	346,631,527
1966 – 1970	69	84	766	628,543	480,420,243
1971 – 1975	22	115	673	805,123	875,542,286
1976 – 1980	17	72	618	1,060,292	1,403,823,697
1981 – 1985	8	76	550	1,261,407	2,831,410,266
1986 – 1990	2	112	440	1,485,109	4,148,749,629
1991 – 1995	1	57	384	1,744,696	6,179,239,916
1996 – 2000	2	46	340	1,918,729	9,425,906,926
2001 – 2005	2	62	280	2,047,031	14,805,292,195
2006	0	13	267	2,086,700	15,656,231,843
2007	0	7	260	2,083,319	16,543,325,591
2008	1	11	250	2,118,505	18,182,343,608
2009	0	14	236	2,164,648	19,719,567,979
2010	0	13	223	2,186,471	20,685,419,046
2011	0	20	203	2,225,892	21,915,647,878
2012	0	16	187	2,264,788	23,353,783,941
2013	0	16	171	2,335,239	24,517,890,287
2014	0	11	160	2,460,025	26,324,571,655
2015	0	10	150	2,613,667	28,797,085,704
2016	0	7	143	2,790,644	31,453,289,376
2017	0	14	129	2,938,267	34,157,241,037
2018	0	4	125	3,081,193	37,011,992,655
2019	0	4	121	3,196,907	41,069,474,717
2020	0	3	118	3,307,029	49,524,843,857
2021	0	5	113	3,377,072	55,890,883,584

**CORPORATE CENTRAL CREDIT UNION
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2021**

ASSETS

Cash	\$286,482,314
Investments	\$3,294,125,576
Loans	\$3,000,000
Land and Building	\$2,291,232
Other Fixed Assets	\$1,084,542
Receivables and Other Assets	<u>\$14,286,034</u>
Total Assets	\$3,601,269,698

LIABILITIES AND EQUITY

Accounts Payable and Other Liabilities	\$2,382,279
Notes Payable	\$0
Commercial Paper	\$0
Accrued Dividends and Interest Payable.....	\$739,826
Member Shares and Certificates of Deposit.....	\$3,373,808,501
Equity	<u>\$224,339,092</u>
Total Liabilities and Equity	\$3,601,269,698

**STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021**

INCOME

Income from Investments.....	\$22,061,7617
Income from Loans	\$91,645
Other Income	<u>\$44,778,439</u>
Total Income	\$66,931,845

EXPENSES

Administrative Expenses.....	\$14,223,747
Cost of Funds	<u>\$10,358,768</u>
Total Expenses	\$24,582,515
Net Income.....	\$42,349,330
Gain on Investments	\$2,768,344
PIC Dividends	\$2,320,527
Net Income.....	\$42,797,147

Green Bay	SERVICE	14,164,842	9,531,579	13,277	2,109,563	2,536,977	11,432,110	2,716,096	16,636
Sheboygan	SHEBOYGAN AREA	74,324,568	40,740,723	369,220	25,139,136	8,813,929	65,464,058	7,906,714	953,796
Manitowoc	SHIPBUILDERS	115,191,196	78,008,412	224,532	11,146,746	26,260,570	99,487,092	15,414,297	289,807
Manitowoc	SHORELINE	123,788,261	78,631,736	122,140	22,361,201	22,917,464	107,495,673	9,671,474	6,621,114
Marshfield	SIMPLICITY	427,678,133	255,484,433	1,240,850	34,219,573	139,214,977	377,388,133	38,771,718	11,518,282
Kenosha	SOUTHERN LAKES	117,375,359	63,014,264	191,025	12,912,442	41,639,678	108,264,772	8,259,930	850,657
Madison	ST. MARY'S & AFFILIATES	37,117,609	27,050,153	212,227	6,150,477	4,129,206	33,485,580	3,539,410	92,619
Jefferson	STOPPENBACH	1,851,147	1,510,389	20,965	12,993	348,730	1,413,404	431,793	5,950
Stoughton	STOUGHTON U.S. RUBBER EMPLOYEES	947,831	208,006	11,938	480,545	271,218	735,599	210,119	2,113
Cottage Grove	SUMMIT	4,830,581,855	3,569,682,288	16,998,679	727,744,565	550,153,681	3,832,416,556	555,508,540	442,656,759
Superior	SUPERIOR CHOICE	601,143,174	433,875,433	2,310,915	26,586,797	142,991,859	498,851,180	62,592,029	39,699,965
Superior	SUPERIOR MUNICIPAL EMPLOYEES	3,614,395	2,946,627	12,838	113,170	567,436	3,004,897	546,663	62,835
Medford	TAYLOR	79,148,121	41,677,858	189,566	11,700,745	25,959,084	71,925,254	6,667,459	555,408
Beloit	TEACHERS	30,711,372	14,161,669	81,350	12,507,159	4,123,894	27,171,736	3,493,104	46,532
Tomah	TOMAH AREA	100,004,143	50,045,300	146,511	4,143,975	45,961,379	91,081,033	8,213,883	709,227
Marinette	TRI-COUNTY	38,485,190	18,933,227	108,581	6,386,585	13,273,959	34,314,569	4,089,334	81,287
Kaukauna	UNISON	286,345,592	159,529,978	343,989	91,668,266	35,491,337	256,752,666	26,736,084	2,856,842
Manitowoc	UNITEDONE	299,215,044	208,898,754	516,940	28,616,508	62,216,722	264,391,627	31,582,966	3,240,451
Madison	UNIVERSITY OF WISCONSIN	4,833,919,839	2,837,435,601	17,511,403	794,307,514	1,219,688,127	4,112,641,652	445,730,367	275,547,820
Mosinee	VALLEY COMMUNITIES	226,953,232	127,144,980	479,193	24,909,381	75,378,064	198,408,076	26,218,700	2,326,456
Oshkosh	VERVE, A CREDIT UNION	1,473,594,113	977,999,649	4,512,899	338,776,227	161,331,136	1,211,885,043	136,685,719	125,023,351
Madison	WEA	36,531,138	18,465,531	90,752	16,332,384	1,823,975	32,691,188	3,719,935	120,015
Westby	WESTBY CO-OP	763,110,609	521,526,261	4,990,546	104,578,485	141,996,409	633,297,634	114,705,162	15,107,813
Menomonie	WESTCONSIN	1,929,229,714	1,063,555,710	8,793,979	436,786,228	437,681,755	1,700,864,566	199,992,052	28,373,096
Oshkosh	WINNEBAGO COMMUNITY	156,593,409	112,221,643	93,460	2,306,306	42,158,920	139,332,151	15,818,921	1,442,337
Milwaukee	WISCONSIN LATVIAN, INC.	3,074,939	1,525,081	28,228	986,846	591,240	2,756,930	301,431	16,578
Green Bay	WISCONSIN MEDICAL	14,451,487	8,768,923	20,315	3,342,974	2,359,905	13,001,033	1,419,661	30,793
Wisconsin Rapids	WOOD COUNTY EMPLOYEES	1,161,677	1,024,151	4,805	0	142,331	976,861	183,244	1,572