

Skip to Credit Union
Sample

Bank Analytical Report

First Bank
Ketchikan, AK
(FDIC Cert.#14885)

Today's Date

Rated 5-Stars as of 9/19/2019 based on
financial data as of 06/30/2019

Most recently
Available

Sample Only. Downloaded Report will be as of current
data and based on the most recently available data.



BauerFinancial.com

Introduction

The financial data used to prepare this report, unless otherwise noted, was compiled from data reported to Federal Regulators. Although the information obtained from these sources is consistently reliable, the accuracy and completeness of this data cannot be guaranteed by BauerFinancial. In fact, an astute investor would agree, and experience has shown, that marginally performing institutions sometimes give themselves the benefit of the doubt when filing their reports. Our historical data helps us detect these variances.

STAR RATING SYSTEM

BauerFinancial's star ratings classify each institution based upon a complex formula factoring in current and historical data. The first step of evaluation is the capital level of the institution followed by other relevant data including, but not limited to: profitability, historical trends, loan delinquencies, repossessed assets, reserves, regulatory compliance, proposed regulations and asset quality. Negative trends are projected forward to compensate for the lag time in the data. BauerFinancial employs conservative measures when assigning these ratings and consequently our analysis may be lower than those supplied by other analysts or the institutions themselves. More than thirty years of experience has shown this to be a prudent course of action. As a general guideline, however, the following groupings were used:

5-Stars	Superior. These institutions are recommended by Bauer .
4-Stars	Excellent. These institutions are recommended by Bauer .
3½-Stars	Good.
3-Stars	Adequate.
2-Stars	Problematic.
1-Star	Troubled.
Zero-Stars	Our lowest rating.
S.U.	Institution is too new to rate. (Obsolete beginning with June 30, 2018 financial data.)
FDIC	Institution has failed or is operating under FDIC conservatorship.

Peer Groups:

Group 1	Banks with foreign and domestic offices
Group 2	Assets >= \$3 billion
Group 3	Assets >= \$1 billion and < \$3 billion
Group 4	Assets >= \$300 million and < \$1 billion
Group 5	Assets >= \$100 million and < \$300 million
Group 6	Assets < \$100 million

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BauerFinancial, Inc.
Bank Analytical Report
First Bank - Ketchikan, AK

Rated 5-Stars based on financial data as of 11/30/2019

A. Financial Statements as of 11/30/2019

Balance Sheet: (\$ millions)

Assets:

Cash & Due From Banks	\$ 69.262
Securities & Fed Funds Sold	\$ 265.023
Loans (net)	\$ 213.070
Other Real Estate Owned	\$ 0.000
Premises & Fixed Assets	\$ 16.969
Investments in Subsidiaries	\$ 0.000
Intangible Assets	\$ 5.003
Other Assets	\$ 7.529

Total Assets:	\$ 576.856
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Liabilities & Owner's Equity:

Non-Interest Bearing Deposits	\$ 130.673
Interest Bearing Deposits	\$ 389.229
Fed Funds Purchased & Repos	\$ 0.000
Subordinated Debt	\$ 0.000
Other Borrowed Money	\$ 0.000
Other Liabilities	\$ 1.079

Total Liabilities:	\$ 520.981
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Owner's Equity:

Preferred Stock	\$ 0.000
Common Stock & Surplus	\$ 12.099
Retained Earnings	\$ 41.527
Other Equity	\$ 2.249

Total Equity	\$ 55.875
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Total Liabilities and Equity:	\$ 576.856
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Year-to-Date Income Statement (\$ millions)

Interest Income:	\$ 10.132
Interest Expense:	\$ 1.320

Net Interest Income:	\$ 8.812
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(plus) Non-Interest Income	\$ 3.173
(plus) Gains (losses) Securities Transactions	\$ 0.048
(minus) Non-Interest Expense	\$ 9.368
(minus) Provisions	\$ 0.090
(minus) Income Taxes	\$ 0.000
(plus) Other Income (Expense)	\$ 0.003

Net Income:	\$ 2.578
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BauerFinancial, Inc.
Bank Analytical Report
First Bank - Ketchikan, AK

Rated 5-Stars based on financial data as of

Year Established: 1924
 Number of Branches: 9

Telephone Number: (907)228-4474
 WebSite: www.firstbankak.com

B. CAPITAL ADEQUACY. In order to be classified as at least adequately capitalized, current regulatory capital requirements include a leverage capital ratio $\geq 4\%$, a Common Equity Tier 1 (CET1) Ratio $\geq 4.5\%$, a Tier 1 Risk-based Capital Ratio $\geq 6\%$ AND a Total Risk-based Capital Ratio $\geq 8\%$.

	This Bank	Peer Group
Leverage Capital Ratio	9.63%	11.25%
CET1 Ratio	18.26%	15.15%
Tier 1 Risk-based Capital Ratio	18.26%	15.17%
Total Risk-based Capital Ratio	19.51%	16.24%
Regulatory Capital Classification	Well-Capitalized	

C. REGULATORY STATUS. The Community Reinvestment Act (CRA) is intended to ensure institutions help meet the credit needs of the communities in which they operate. If available, the institution's CRA Rating is noted below. Similarly, if the institution's primary regulator has made public any current enforcement actions that could impact the safety and soundness of the institution, the regulator will be noted. If applicable, you may read the action by visiting the regulator's website (link below). (Disclaimer: Enforcement Action data is maintained by BauerFinancial based on media releases issued by the agencies; the accuracy and completeness cannot be guaranteed by BauerFinancial, Inc.) Search Regulatory Enforcement Actions via these links: [OCC](#) [FDIC](#) [FED](#)

CRA Rating: Satisfactory

Supervisory Agreement: None

D. ASSET QUALITY. The quality of an institution's assets is determined by two factors: what specifically is the asset and how does it relate to the entire portfolio. Asset quality can be the difference between survival and insolvency during periods of poor economic conditions.

	This Bank	Peer Group
Repossessed Assets/Net Worth:	0.00%	1.22%
Nonaccrual Loans & Other Loans Past Due 90 Days or More/Net Worth:	1.45%	4.58%
Nonperforming Assets/Net Worth + Reserves (Texas Ratio):	1.49%	5.36%

The following five ratios refer to the nonperforming assets and reserves in the bank's portfolio:

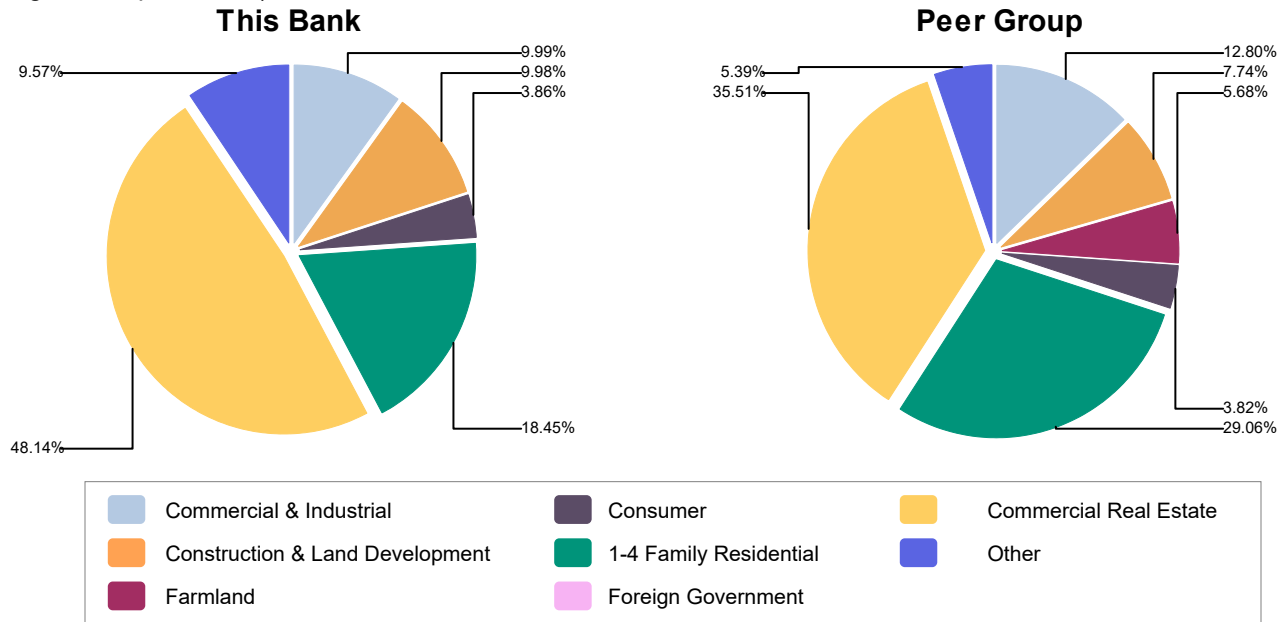
	This Bank	Peer Group
Nonperforming Assets/Total Assets:	0.14%	0.67%
Delinquent Loans/Total Loans:	0.37%	0.76%
Repossessed Assets/Total Assets:	0.00%	0.14%
Net Year-to-Date Chargeoffs/Total Loans:	0.04%	0.05%
Loan Loss Reserve/Total Loans:	1.63%	1.22%

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First Bank - Ketchikan, AK

Rated 5-Stars based on financial data as of

D. ASSET QUALITY, Continued. Generally speaking, the more risky loans in a bank's portfolio are construction, commercial real estate, and foreign loans. Local economic conditions cause regional variances. Individuals or businesses interested in obtaining a loan or line of credit should check that the bank is actively engaged in that type of lending. Undercapitalized banks may be required to limit their lending activity due to an effort to shrink their asset size (thus increasing their capital ratios).



Loans to executive officers, principal shareholders and their related parties (with or without collateral) are not unusual in the banking industry. However, excessive lending to insiders can cause problems if the loans are not subject to the same arm's length underwriting standards as similar loans to other customers.

	This Bank	Peer Group
Loans to Insiders/Total Loans:	0.86%	1.44%
Loans to Insiders/Total Net Worth:	3.35%	8.72%

Intangible assets are acquired by various transactions in which the purchase price exceeds the book value. For example, a bank may buy a branch of another bank for more than its book value; the premium paid would be an intangible asset to the purchaser known as "goodwill". The leverage capital ratio on page 4 excludes most intangible assets.

	This Bank	Peer Group
Intangible Assets/Net Worth:	8.95%	4.34%

Investments in unconsolidated subsidiaries and related companies can be a drain on a bank's net worth. If the book value of the subsidiary declines, so does that of the bank.

	This Bank	Peer Group
Investments in Subsidiaries/Net Worth:	0.00%	0.00%

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E. LIQUIDITY. Liquidity ratios measure the relationship between current assets and current liabilities; they are indicators of an institution's ability to meet current obligations. Higher ratios reflect a reliance on funding sources that may not be available in times of financial stress or adverse changes in market conditions.

	This Bank	Peer Group
Loans to Deposits:	41.66%	84.67%
Non-core Funding Dependence:	-13.66%	5.75%
Brokered Deposits/Total Deposits:	0.00%	3.55%
Deposits Acquired from use of Listing Services/Total Deposits:	0.00%	1.49%

F. GROWTH. As a general rule, growth in a bank is considered normal and desirable. If the growth accelerates to a point where it becomes unmanageable, however, it can lead to a situation of capital inadequacy and/or unprofitability. Asset shrinkage could indicate a cutback in lending.

	This Bank	Peer Group
% Change in Assets (year):	4.70%	6.97%
% Change in Equity (year):	23.87%	12.14%
% Change in Deposits (year):	3.02%	6.99%
% Change in Loans (year):	0.09%	7.47%

G. PROFITABILITY. Standard measures of profitability are Return on Assets and Return on Equity which reflect the percentage of each that has been earned during the current period. The ratios facilitate comparisons between institutions and time periods, as the same dollar figure of net income may be good or bad, depending on the balance sheet of the institution.

Current quarter's profit:	\$1.409	million
Year-to-date profit:	\$2.578	million
Profit for Previous Calendar Year:	\$5.279	million
Profit for Calendar Year 2 Years Ago	\$4.561	million

	This Bank	Peer Group
Annualized Return on Assets:	0.79%	1.19%
Annualized Return on Equity:	8.41%	9.98%

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Skip to Bank Sample

Credit Union Analytical Report

Alaska Dist Engineers F.C.U.
Elmendorf AFB, AK

(NCUA Charter #6237)

(907)753-5118

www.adefcu.org

Today's Date

Rated 4-Stars as of 9/19/2019 based on
financial data as of 06/30/2019

Most recently
available

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DISCLAIMER

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INTRODUCTION

The financial data used to prepare this report, unless otherwise noted, was derived from data provided by the National Credit Union Administration (NCUA). The database contains data on federal and state credit unions derived from the Form #5300 report that each credit union submits quarterly. The data is then reviewed and classified by the NCUA prior to publication and released approximately three months after the end of the quarter.

STAR RATING SYSTEM

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4-Stars	Excellent. These institutions are recommended by Bauer .
3-Stars	Adequate.
2-Stars	Problematic.
1-Star	Troubled.
Zero-Stars	Our lowest rating.
N.R.	Not Rated. Either: the institution's shares are not federally insured, it has less than \$1.5 million in assets or it is too new to rate.
Start-up	Start-up credit union. Institution is too new to rate. (Obsolete beginning 6/30/18 data.)
RSLVD	Institution has been resolved or liquidated since the reporting date.

PEER GROUPS

Group 1	Assets >= \$500 Million
Group 2	Assets >= \$100 Million and < \$500 Million
Group 3	Assets >= \$50 Million and < \$100 Million
Group 4	Assets >= \$10 Million and < \$50 Million
Group 5	Assets >= \$2 Million and < \$10 Million
Group 6	Assets < \$2 Million

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BauerFinancial, Inc.
Credit Union Analytical Report

Alaska Dist Engineers F.C.U. - Elmendorf AFB, AK
 Rated 4-Stars based on financial data as of

A. Financial Statements as of

Balance Sheet: (\$ millions)

Assets:

Cash & Due From Banks	\$ 0.797
Investments	\$ 5.391
Loans (net)	\$ 5.562
Foreclosed Real Estate & Repossessions	\$ 0.000
Fixed Assets	\$ 0.027
Other Assets	\$ 0.233
	\$ 0.233
 Total Assets:	 \$ 12.010

Liabilities & Equity:

Borrowings	\$ 0.000
Other Liabilities	\$ 0.007
Shares and Deposits	\$ 10.998
	\$ 10.998
 Total Shares and Liabilities:	 \$ 11.005
 Reserves and Other Equity	 \$ 0.766
Retained Earnings	\$ 0.239
Net Unrealized Gains/Losses	\$ 0.000
	\$ 0.000
 Total Equity	 \$ 1.005
 Total Liabilities and Equity:	 \$ 12.010
 Regulatory Capital:	 \$ 1.005

Year-to-Date Income Statement (\$ millions)

Interest Income:	\$ 0.188
Interest Expense:	\$ 0.006
	\$ 0.006
 Net Interest Income:	 \$ 0.182
 Provision for Loan Losses	 \$ 0.019
(plus) Non-Interest Income	\$ 0.019
(minus) Non-Interest Expense	\$ 0.174
	\$ 0.174
 Net Income Before Reserve Transfers	 \$ 0.007
 Transfer to Reserves	 \$ 0.012
	\$ 0.012
 Net Income After Reserve Transfers:	 \$(0.005)

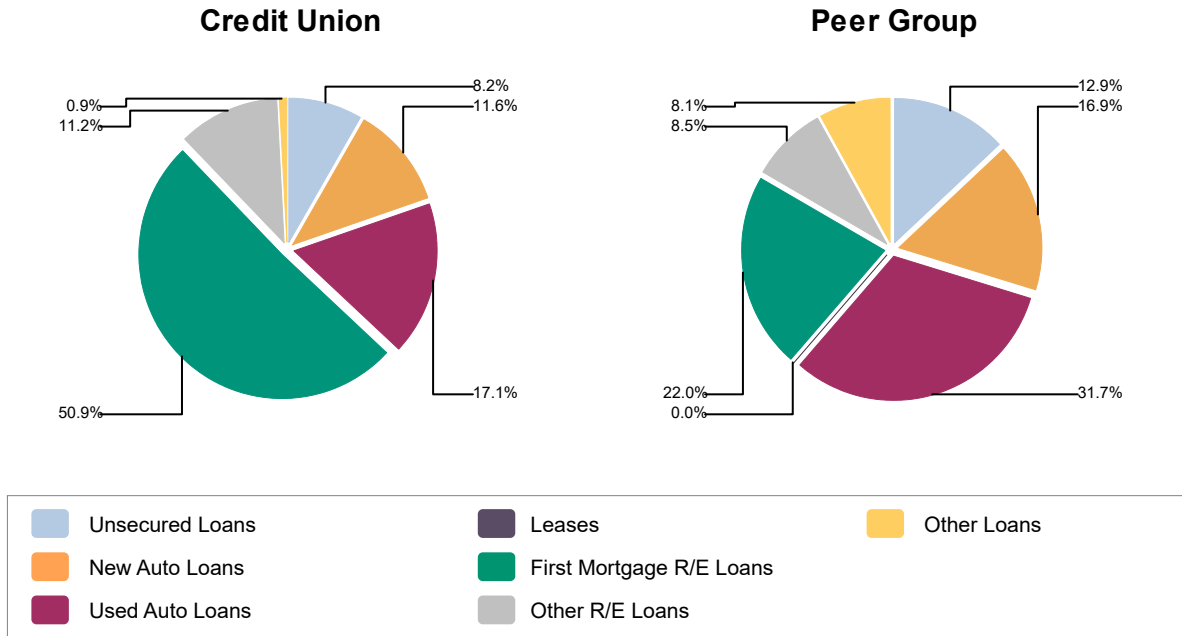
Number of Full Time Employees	1	Number of Branches	1
Number of Part Time Employees	3	Year Established	1949
Number of Members	687		

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 Rated 4-Stars based on financial data as of

B. ASSET CATEGORIES. Credit Unions were chartered to provide a savings vehicle for their affinity group members and to provide those members with consumer credit. Over the years, however, the loan types and investment vehicles of credit unions have become more sophisticated. The following sections compare the asset mix of this credit union with that of other credit unions its size.



11.60

Investments:

<u>Investment Type % of Total Investment</u>	<u>Credit Union</u>	<u>Affinity</u>
U.S. Government Obligations	0.00%	0.91%
Federal Agency Securities	0.00%	5.59%
Mutual Funds	0.00%	0.12%
Corporate Central Credit Unions	0.00%	2.89%
Banks & Thrifts	0.00%	54.50%
Credit Unions	0.00%	17.42%
Other Investments	100.00%	18.58%
Total Investments:	100.000 %	100.00 %

<u>Interest Rates</u>	<u>Yield</u>
Net Loan Interest Income	4.15%
Interest Income from Investments	2.67%

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BauerFinancial, Inc.
Credit Union Analytical Report

Alaska Dist Engineers F.C.U. - Elmendorf AFB, AK
 Rated 4-Stars based on financial data as of

C. SHARES (DEPOSITS). As credit union services expanded they began providing full deposit services to their members. Most now offer checking privileges, certificates of deposit, retirement accounts and other specialized accounts, such as Christmas Club accounts. This section compares this credit union's deposit mix with that of other credit unions of its size. The average rate paid on the accounts over the last six months and the number of accounts is also provided.

Shares

Share Type	Credit Union % of Shares	Affinity %
Share Certificate/CDs	1.01%	12.53%
Share Drafts	20.90%	15.32%
IRA/Keogh & Retirement Accounts	6.00%	4.79%
Regular Shares	68.46%	58.28%
Money Market Shares	0.00%	7.95%
All Other Shares	3.63%	1.13%
Total Shares:	100.000 %	100.00 %

Credit Union

Dividend Breakdown	Rate	# of Accounts
Share Certificate/CDs	1.50%	16
Share Drafts	0.00%	315
IRA/Keogh & Retirement Accounts	0.10%	30
Regular Shares	0.10%	683
Money Market Shares	0.00%	0

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D. RATIO ANALYSIS. The ratio analysis provided in this section encompasses various ratios used by the National Credit Union Administration (NCUA) in evaluating the financial health of its member credit unions. The NCUA is the governing body for federally insured credit unions and is responsible for administering the government insurance fund, which guarantees the deposits in insured credit unions.

	<u>Credit Union %</u>	<u>Affinity %</u>
Capital Adequacy		
Capital as a % of Assets	8.36%	12.91%
Regulatory Capital Classification	Well Capitalized	
Allowance for Loan Losses as a % of Total Loans	0.63%	0.91%
Asset Quality		
Delinquent Loans as a % of Net Worth	0.00%	3.90%
Delinquent Loans as a % of Total Gross Loans	0.00%	0.94%
Net Charged-Off Loans YTD as a % of Total Loans	0.49%	0.23%
Repossessed R/E as a % of Net Worth	0.00%	0.32%
Repossessed R/E as a % of Total Assets	0.00%	0.04%
Non-Earning Assets as a % of Total Assets	1.07%	3.10%
Land & Building as a % of Total Assets	0.00%	1.64%
Other Fixed Assets as a % of Total Assets	0.23%	0.24%
Total Land, Building & Fixed Assets % of Total Assets	0.22%	1.92%
Liquidity		
Long Term Assets as a % of Total Assets	24.62%	14.11%
Total Loans as a % of Total Shares	50.89%	62.37%
Earnings (annualized)		
Net Income Before Resv. Tsf. as a % of Avg. Assets	0.12%	0.61%
Net Income After Resv. Tsf. as a % of Avg. Assets	-0.08%	0.59%
Operating Expenses as a % of Average Assets	2.88%	3.60%
Loan Servicing Expense as a % of Total Loans	0.04%	0.38%
Office Occupancy & Operations Exp. % of Tot. Assets	1.17%	0.96%
Office Expense as a % of # of Employees	5.60%	3.28%
Employee Compensation & Benefits % of Tot. Assets	1.37%	1.72%
Employee Compensation & Benefits to # of Employees	0.07%	0.06%

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