

**ADVANTIS 2016 ANNUAL REPORT – SUMMARY
SUBMITTED BY LAURIE WILSON APRIL 28, 2017**

- **Breakdown of deferred comp assets by tier rate** – Approximately 52 percent of Advantis participants have account balances between \$0-\$50,000. There was no change in total number of participants from 2015 (843) to 2016 (843).
- **New enrollments** for Advantis in 2016 were 48 – a small increase from 2015 of 47.
- **Assets insured** - The report indicates that 47 participants retain balances greater than \$250k. This represents \$17M in total assets that are not federally insured by the National Credit Union Association (NCUA). This is a modest increase of just over \$1M from 12/31/2015.
- **The Annual Percentage Yield (APY)** schedule offered to participants remained unchanged during the year despite a significantly higher short-term interest rate environment. The Fed Discount Rate (Prime) increased from 0.75% near the end of 2015 to 1.50% at the end of 2016. The combination of higher Discount Rates and unchanged yields (offered to participants) resulted in a decline in yield spread from 2.0% to 1.25%
- **Credit Quality** – Advantis saw very modest loan quality declines during the year. The highest quality loans, rated A or higher, declined from 63% of assets to 59% over the course of the year.
- **Loan Mix** - The loan mix changed only modestly during the year. Auto loans increased from 30% to 35% of total loans. This was largely at the expense of first mortgage consumer loans which declined from 25% to 21% of total loans.
- **Loan Delinquency Ratio** – Advantis' loan delinquency ratio has increased but remained at or below NCUA peer universe averages. The Committee will continue to monitor.
- **Loan Maturity Schedule** - There were no material changes in the loan maturity schedule for Advantis over the year.
- **Advantis Credit Union to Peer Average Credit Quality Comparison** – Advantis compared Credit Quality to their Peers and they continue to be above average in this comparison.