

MINNESOTA POWER EMPLOYEES CREDIT UNION
STATEMENTS OF FINANCIAL CONDITION
JULY 31, 2010 AND 2009

ASSETS	2010	2009
Cash and Cash Equivalents	\$3,945,269	\$2,602,492
Deposits in Other Financial Entities	16,524	499,675
Investment Securities - Available for Sale	20,269,826	12,188,213
Investment Securities - Held to Maturity	5,196,811	12,044,816
Loans Receivable, Net of Allowance for Loan Losses	47,857,469	47,535,994
Accrued Interest Receivable	253,254	250,654
Property and Equipment	177,321	177,200
NCUSIF Deposit	587,111	479,102
Other Assets	90,328	261,207
Total Assets	\$78,393,913	\$76,039,353
LIABILITIES AND MEMBERS' EQUITY		
Members' Shares and Savings Accounts	64,369,455	59,307,295
Dividends and Interest Payable	68,831	69,329
Accrued Expenses and Other Liabilities	461,970	3,202,872
Total Liabilities	64,900,256	62,579,496
Reserves	1,850,786	1,850,786
Undivided Earnings	11,190,126	11,027,267
Gain (Loss) Available for Sale Securities	387,100	236,959
Net Income	65,645	344,845
Total Members' Equity	13,493,657	13,459,857
Total Liabilities and Members' Equity	\$78,393,913	\$76,039,353

MINNESOTA POWER EMPLOYEES CREDIT UNION
STATEMENTS OF INCOME
FOR THE PERIODS ENDING,

	<u>July 31, 2010</u>	<u>July 31, 2009</u>
	<u>(Year-to-Date)</u>	<u>(Year-to-Date)</u>
INTEREST INCOME		
Loans Receivable	1,655,203	\$1,674,084
Investment Securities	476,480	459,263
Total Interest Income	<u>2,131,683</u>	<u>2,133,347</u>
INTEREST AND DIVIDEND EXPENSE	<u>426,578</u>	<u>463,434</u>
NET INTEREST INCOME	1,705,105	1,669,913
PROVISION FOR LOAN LOSSES	<u>100,272</u>	<u>63,352</u>
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	1,604,833	1,606,561
NON-INTEREST INCOME		
Service Charges and Fees	52,095	69,031
Other	195,655	162,469
Gain/(Loss) on Assets	<u>(132,281)</u>	<u>330,580</u>
Total Non-Interest Income	115,469	562,080
NON-INTEREST EXPENSE		
General and Administrative -		
Compensation and Benefits	796,074	630,545
Occupancy	60,864	58,206
Service Related	337,383	405,180
Office Operations	168,781	161,741
Other	<u>291,555</u>	<u>568,124</u>
Total Non-Interest Expense	<u>1,654,657</u>	<u>1,823,796</u>
NET INCOME	<u>\$65,645</u>	<u>\$344,845</u>