

The Credit Union Impact Report

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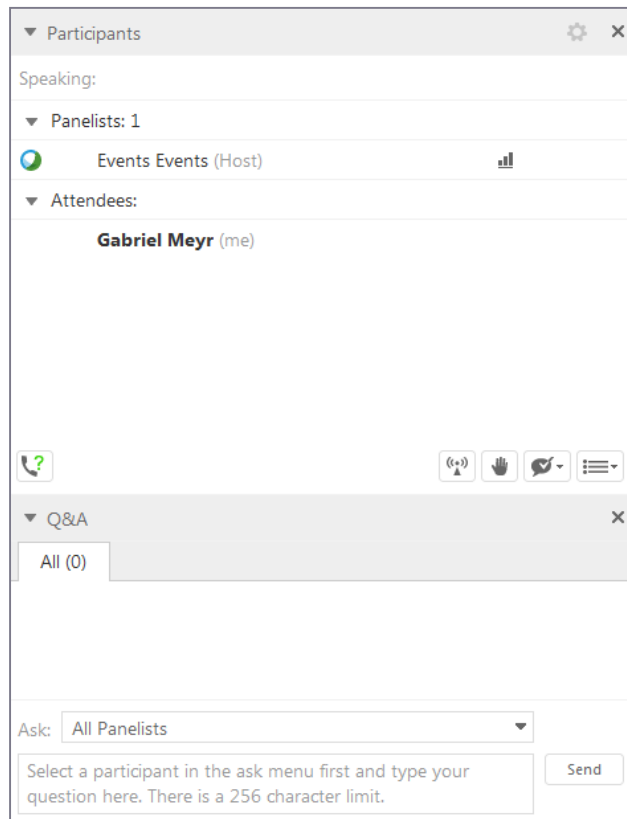
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Slide Link

Today's slides can be found online at:

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We Encourage Questions



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As the movement adds members, relationships and market share also increase.

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Financial institutions are in the numbers business, but credit unions must also look beyond metrics like growth, share, and loss.

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CreditUnions.com puts a wrap on 2017 with a look back at some of the most popular strategies, insights, and stories generously shared by credit unions.

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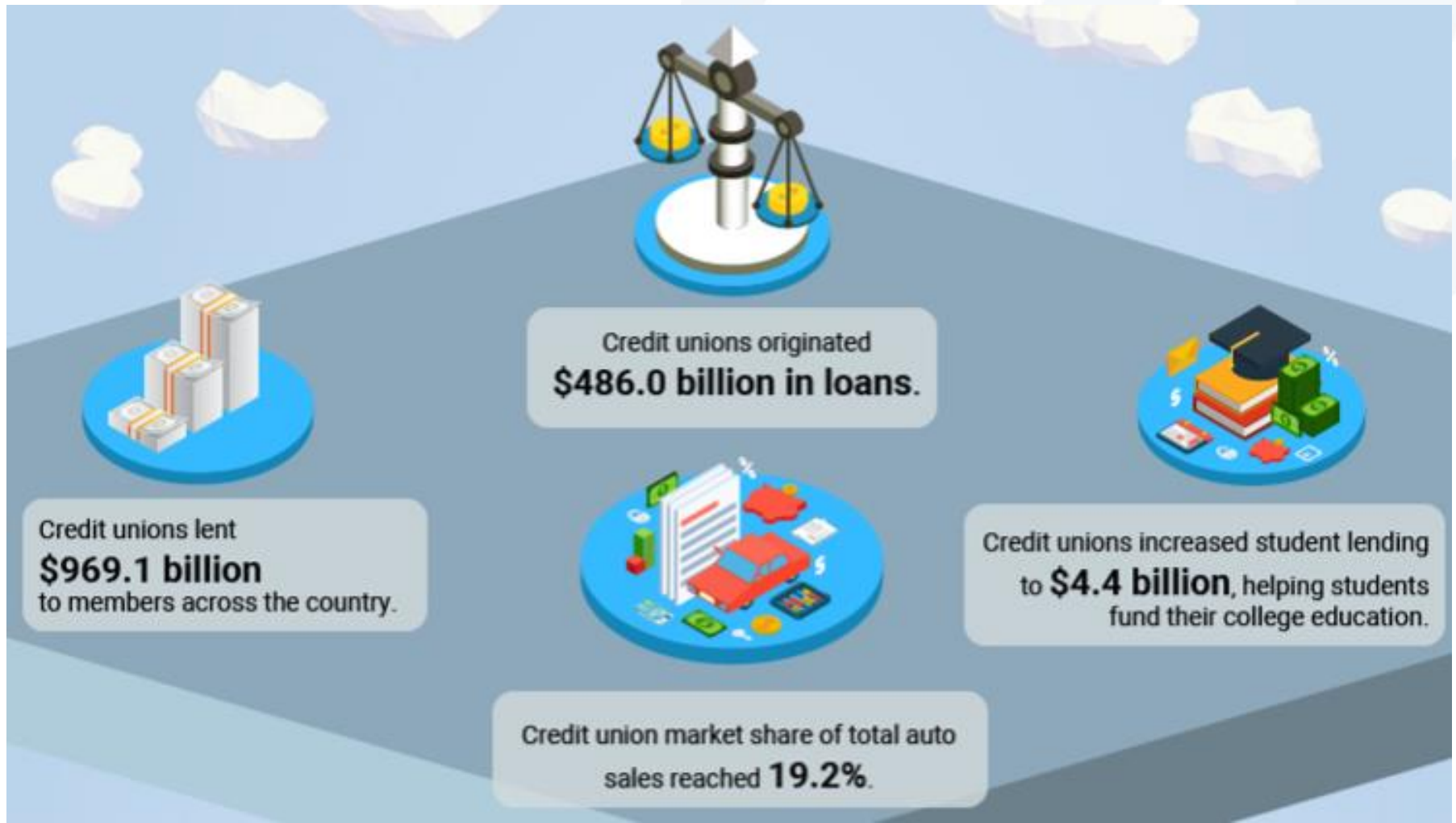
A Summary of the CU Difference

Our Annual Impact Report quantifies the lending, savings, and community support cooperatives give throughout the year.

Highlights from the [2017 Impact Report](#) include:

- Credit unions originated **\$486.0 billion in loans**
- Credit union members opened **3.7 million new share draft accounts**
- Credit unions helped **123,105 homeowners** stay in their homes by approving TDRs

Lending



Example: Oregon Community Credit Union

- Challenged auto rate structure assumptions
- FICO score was a good predictor of risk, but loan length (72-months vs. 60-months) was not
- Lending & Business Intelligence worked together on the analytics project
- Pricing now incorporates overhead cost of paying the dealer reserves, probability of default, how much interest the note is likely to generate, and **member loyalty**.

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Crunching Numbers Leads To Surging Loans

How data analytics and life experience drive record auto loan production at Oregon Community Credit Union.

 By Marc Rapport     83 Views

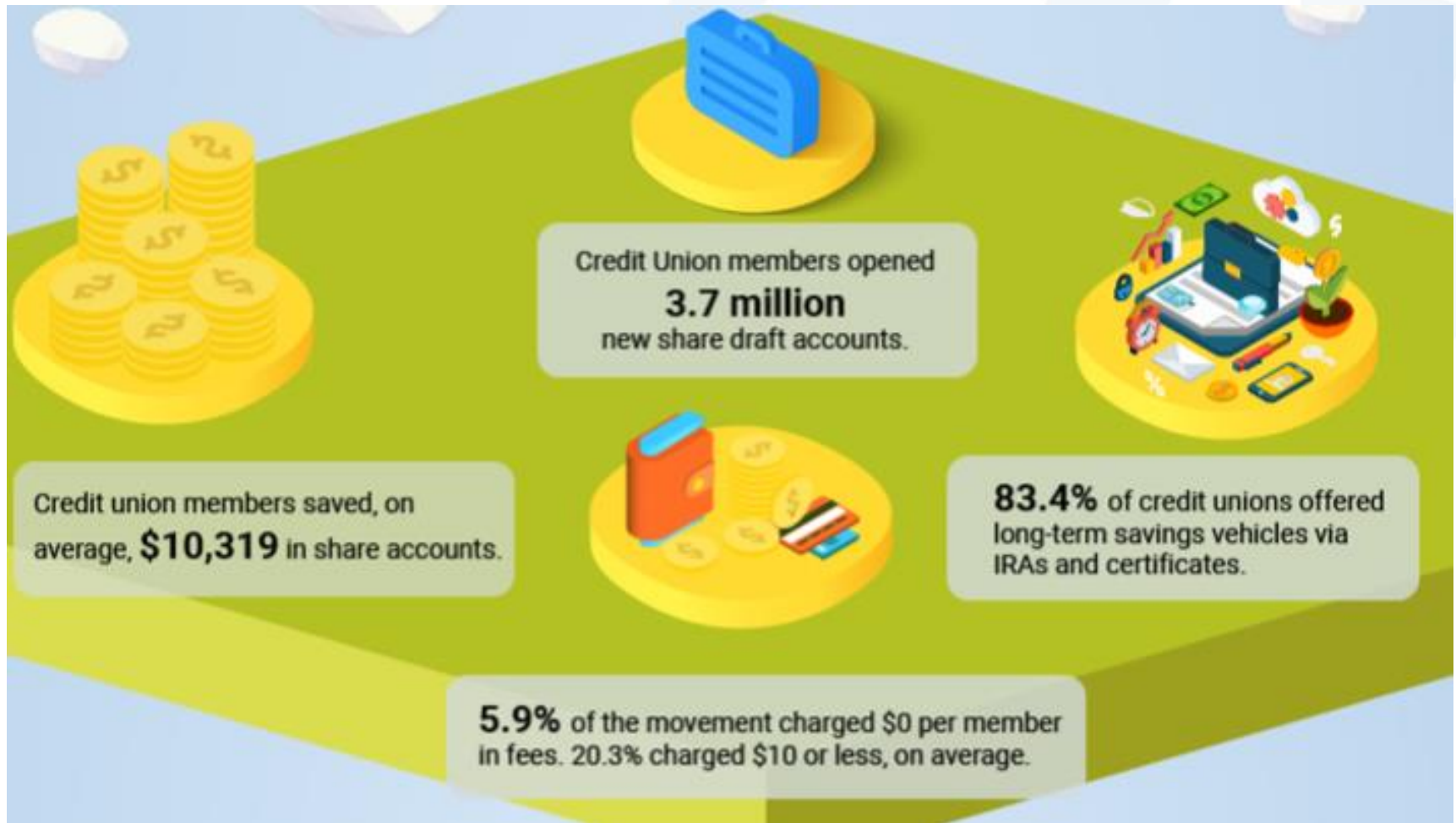
Top-Level Takeaways

- The data and lending teams at Oregon Community Credit Union combined forces to create a new way to rate risk and price loans.
- Auto loan production immediately jumped after introducing new rates, and loan production has been strong since.

Over the past few years, senior managers at [Oregon Community Credit Union](#) (\$1.7B, Eugene, OR) realized it was time to challenge some long-standing assumptions about auto lending.

The credit union was feeling pressure on its margins and capturing less indirect auto loan market share in its competitive market.

Savings








Example: UFCU & Credit Human

- Unique member-sharing agreement helps offer favorable savings rates to University FCU members
- “Cooperative CD” launched in 2013 when UFC was awash in deposits and Credit Human needed fuel for its lending pipeline
- Total balances now total \$26 million and include 600 shared members
- Technology & Trust have been key factors in the initiative’s success

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The Great Credit Union Deposit Swap

In search of a new strategy to raise deposits, Credit Human partners with University FCU in a one-of-a-kind member-sharing arrangement.

 By Marc Rapport     1461 Views

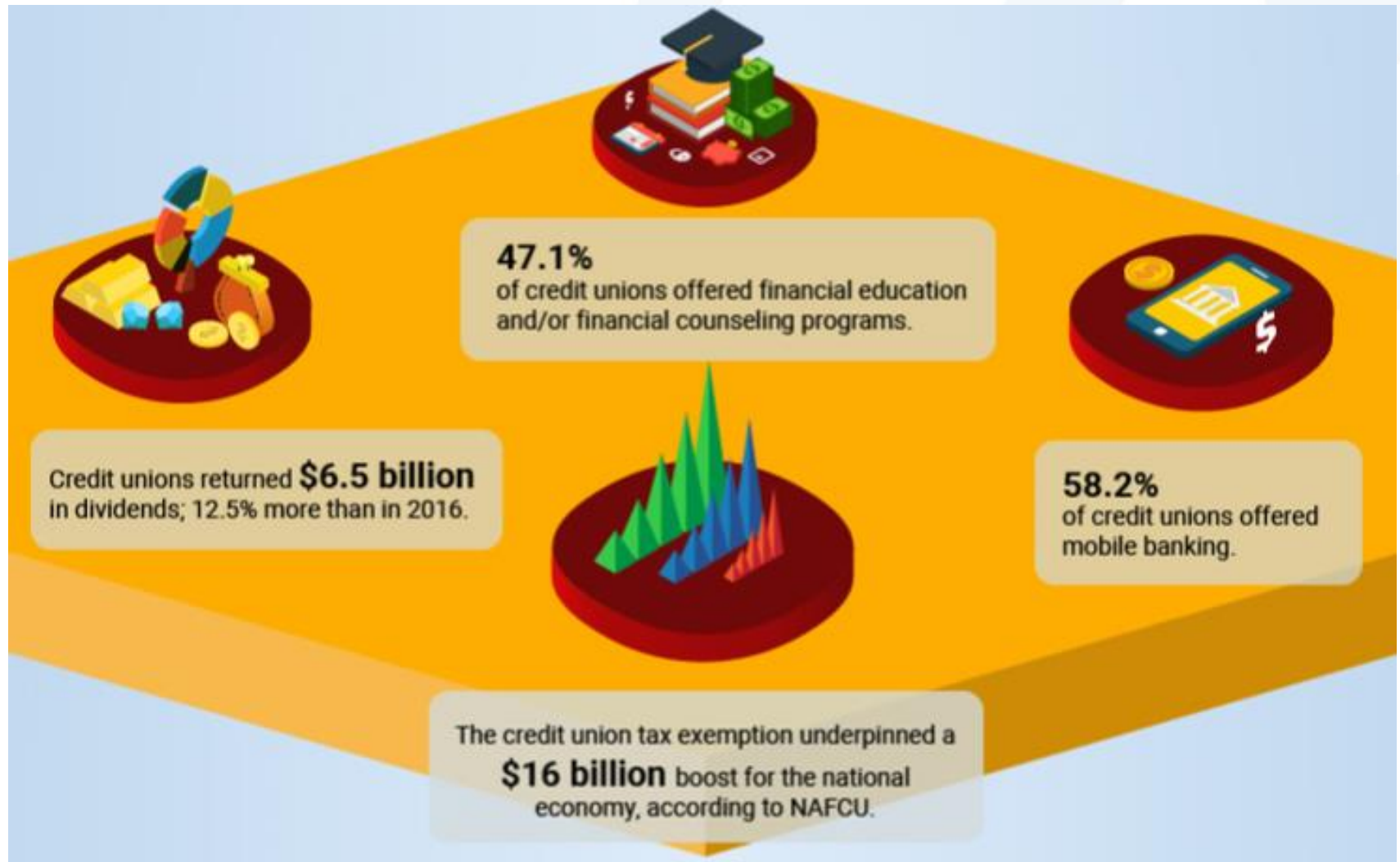
Top-Level Takeaways

- University FCU members join Credit Human to access competitive rates on share certificates.
- The deposit product accounts for nearly 4% of Credit Human's share certificates.

Two Texas credit unions are \$26 million and 600 members into a product partnership that combines a central cooperative principle with a critical business need.

The product, a bundle of share certificates, allows [University Federal Credit Union](#) (\$2.2B, Austin, TX) to offer favorable savings rates to members and supplies [Credit Human Federal Credit Union](#) (\$2.9B, San Antonio, TX) with new cash for lending.

Member Impact



Example: Patelco & Metco credit unions

- Holiday-themed communications that focus on **year-round financial wellness**
- Tips to **keep spending in check** during the holidays; tips on what to do after the holiday **budget is blown**
- One component of year-round financial wellness and literacy efforts

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Mission Marketing For The Most Wonderful Time Of The Year

Credit unions offer holiday-based financial tips that focus on year-round financial wellness.

 By Marc Rapport     545 Views

Top-Level Takeaways

- Patelco sends out money savings messages before the holidays.
- Metco educates on credit reports after the spending spree.

The holidays bring a heady combination of joy and stress to many households and provide the backdrop for some seasonal financial wellness efforts by many a member-owned financial cooperative, big and small.

That includes [Patelco Credit Union](#) (\$5.9B, Pleasanton, CA) and [Metco Credit Union](#) (\$31.1M, Cedar Rapids, IA), which exemplify the before and after approach when it comes to seasonal spending sensibilities.

Community Impact



Credit unions aided small businesses through **5,815** SBA loans.



Credit unions restructured **123,105** troubled loans, helping borrowers across the country stay in their homes.



The movement added 11,331 employees to its roster in 2017, bringing the total number of employees to **306,770**.



36.9% of credit unions had CDFI certification and/or low income designation.

Examples: WSECU & Redstone FCU


- WSECU & Redstone FCU introduced community engagement initiatives in 2017
- Both support non-profits and other charitable causes and give back directly to the people in their communities.
- WSECU's "Up to Some Good" initiative gave back nearly \$14,000 to members.
- Redstone's "Acts of Brightness" initiative gave back more than \$360,000 to members.



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2 Ways To Engage The Community

Why human experiences outweigh plastic trinkets every day of the week.

By Erik Payne     665 Views

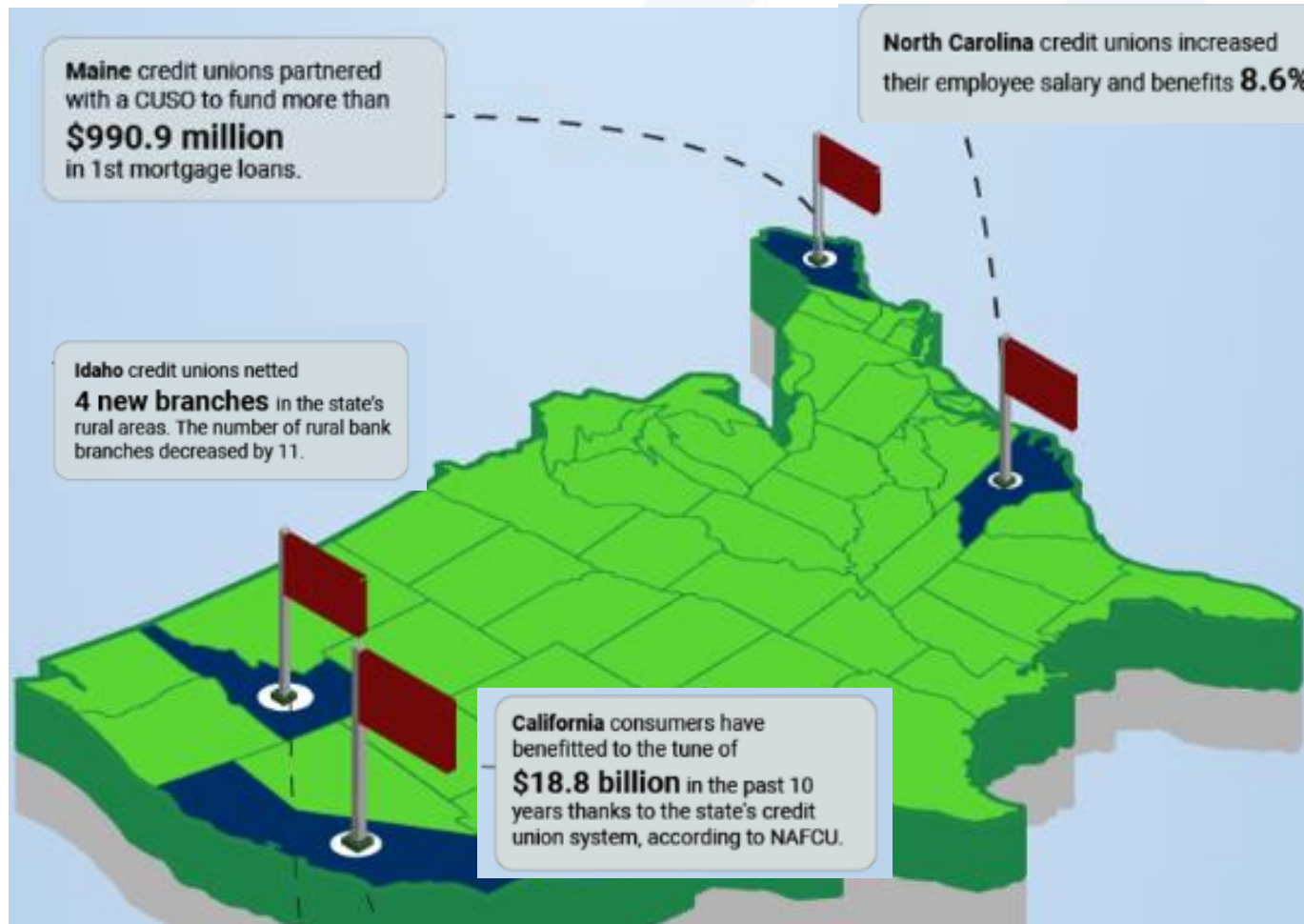
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Credit unions engage with their communities in many ways — from financial education fairs to shred days, collection drives to scholarships, and lots in between. But whatever the activity, the end goal is the same: Make people's lives just a little bit better.

To that end, both [WSECU](#) (\$2.8B, Olympia, WA) and [Redstone Federal Credit Union](#) (\$5.0B, Huntsville, AL) introduced community engagement initiatives last year that support non-profits and

Regional Highlights



Questions & Discussion