

CUNA Connexus CU

# MEMBERSHIP BENEFITS REPORT



## Connexus CU

### The Benefits of Membership

Credit unions generally provide financial benefits to members through lower loan rates, higher savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Connexus CU provided \$30,035,547 in direct financial benefits to its 344,092 members during the twelve months ending September 2019 <sup>(1)</sup>.

**These benefits are equivalent to \$87 per member or \$183 per member household <sup>(2)</sup>.**

The per-member and per-household member benefits delivered by Connexus CU are substantial. But, these benefits are reported as *averages*. Mathematically, that means the total benefits you provide are divided across all members (or all member households) - even those who conduct very little financial business with the credit union.

For example, financing a \$30,000 new automobile for 60 months at Connexus CU will save members an average \$132 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately \$660 in savings over 5 years.

Further, loyal members<sup>(3)</sup> - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

CUNA estimates that Connexus CU provided loyal high-use member households \$864 in direct financial benefits during the twelve month period.

Connexus CU excels in providing member benefits in many loan and savings products. In particular, Connexus CU offers lower loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans.

Connexus CU also pays its members higher dividends on the following accounts: regular savings, share draft checking, money market accounts, certificate accounts, IRAs.



#### Member Benefit Marketing Toolkit

Show members how much you save them!

[www.datatrac.net/memberbenefits](http://www.datatrac.net/memberbenefits)

Website Widgets • Facebook App  
Digital Lobby Graphics • Member Handouts



Source: Datatrac, NCUA, and CUNA.

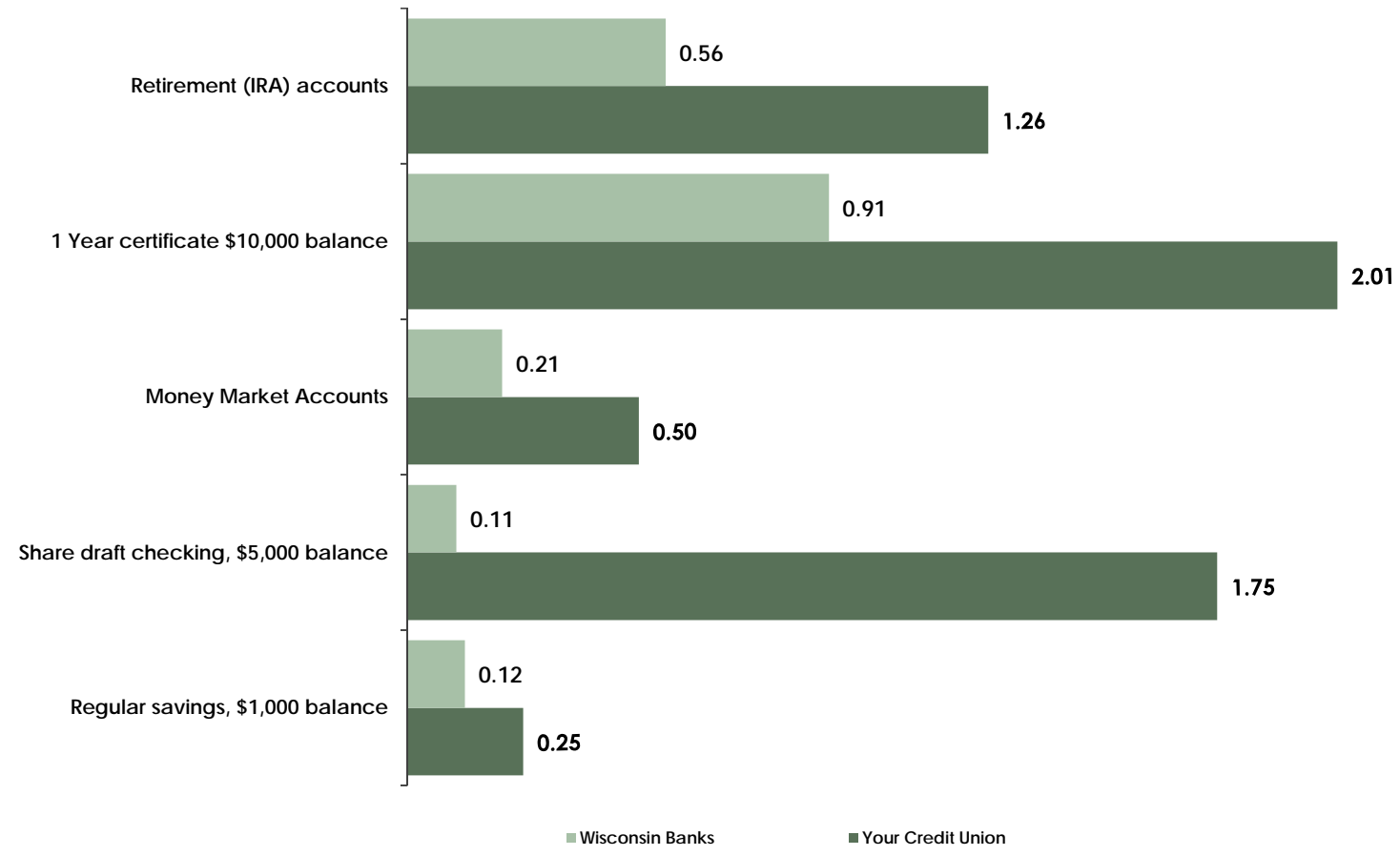
(1) Rates and fees as of 1/13/2020.

(2) Assumes 2.1 credit union members per household.

(3) A "loyal member" is assumed to have a \$30,000, 60-month new auto loan, a classic credit card with an average balance of \$5,000, a \$200,000, 30-year fixed rate mortgage (a 30-year fixed rate mortgage is replaced with a 5-year adjustable rate mortgage if it yields a greater benefit as it is assumed more in demand), \$5,000 in an interest-bearing checking account, \$10,000 in a one-year certificate account, and \$2,500 in a money market account.

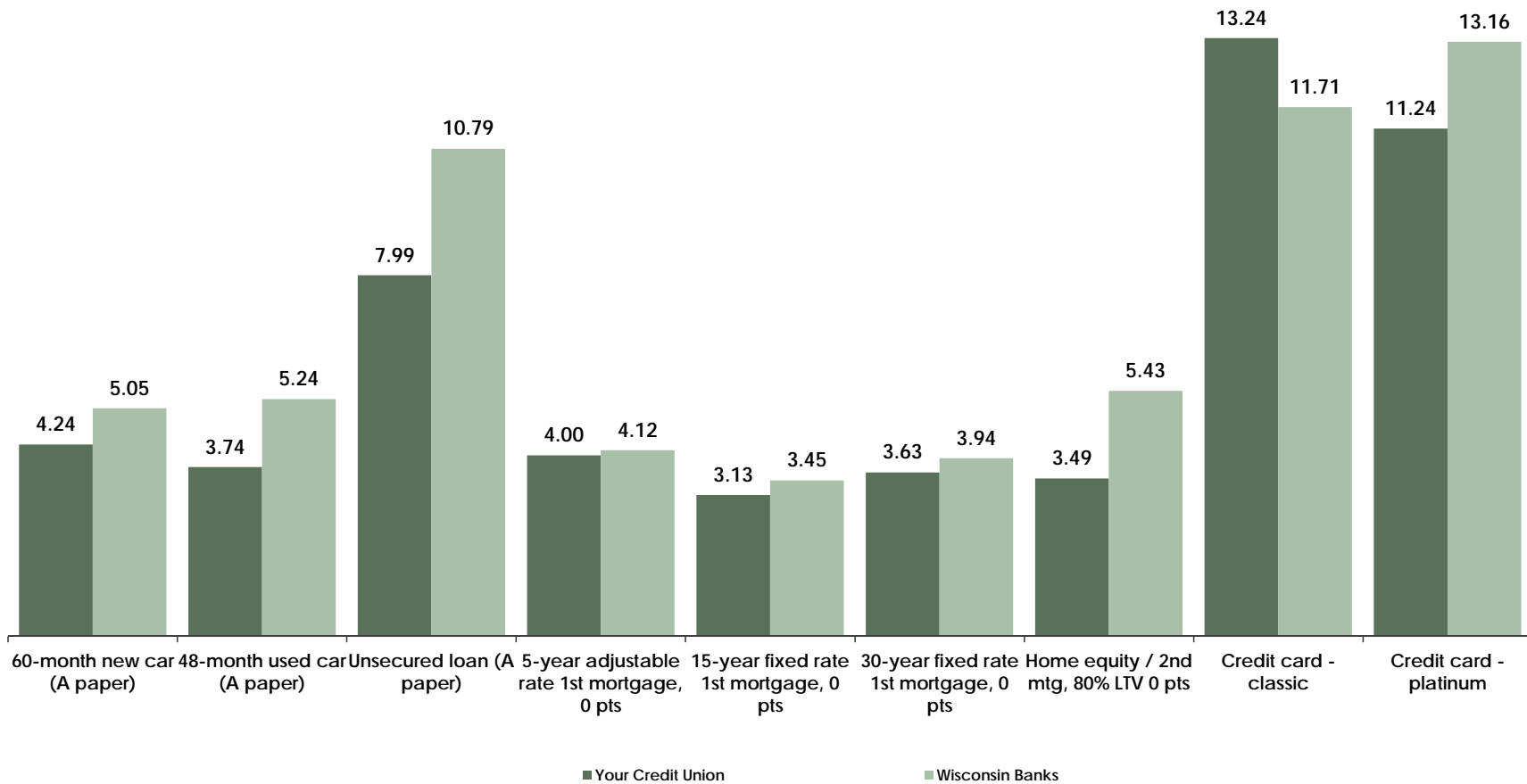
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



## Loan Product Comparative Interest Rates (%)

by Loan Type

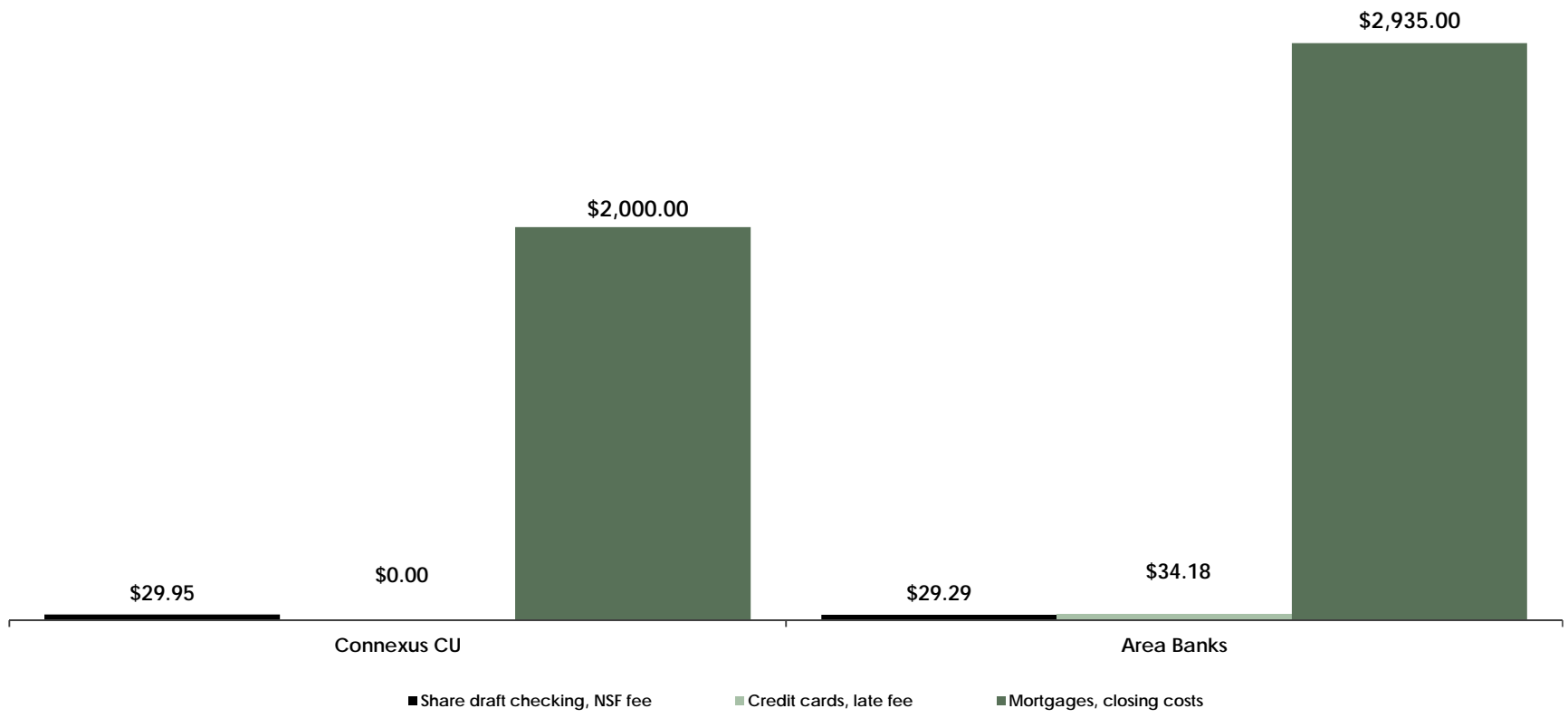


# Membership Benefits Report

CUNA Economics and Statistics

## Comparative Fees

by Type



# Membership Benefits Report

CUNA Economics and Statistics

## Interest Rates at Connexus CU and Banking Institutions in Wisconsin

Loan Products	Rate at your Credit Union (%) *	Average Rate at Banks (%) *	Rate Difference vs. Banks (%)
60-month new car (A paper)	4.24	5.05	-0.81
48-month used car (A paper)	3.74	5.24	-1.50
Unsecured loan (A paper)	7.99	10.79	-2.80
5-year adjustable rate 1st mortgage, 0 pts	4.00	4.12	-0.12
15-year fixed rate 1st mortgage, 0 pts	3.13	3.45	-0.32
30-year fixed rate 1st mortgage, 0 pts	3.63	3.94	-0.31
Home equity / 2nd mtg, 80% LTV 0 pts	3.49	5.43	-1.94
Credit card - classic	13.24	11.71	1.53
Credit card - platinum	11.24	13.16	-1.92
<b>Savings Products</b>			
Regular savings, \$1,000 balance	0.25	0.12	0.13
Share draft checking, \$5,000 balance	1.75	0.11	1.64
Money Market Accounts	0.50	0.21	0.30
1 Year certificate \$10,000 balance	2.01	0.91	1.10
Retirement (IRA) accounts	1.26	0.56	0.70
<b>Fee Income</b>			
Share draft checking, NSF fee	\$29.95	\$29.29	\$0.66
Credit cards, late fee	\$0.00	\$34.18	-\$34.18
Mortgages, closing costs	\$2,000.00	\$2,935.00	-\$935.00

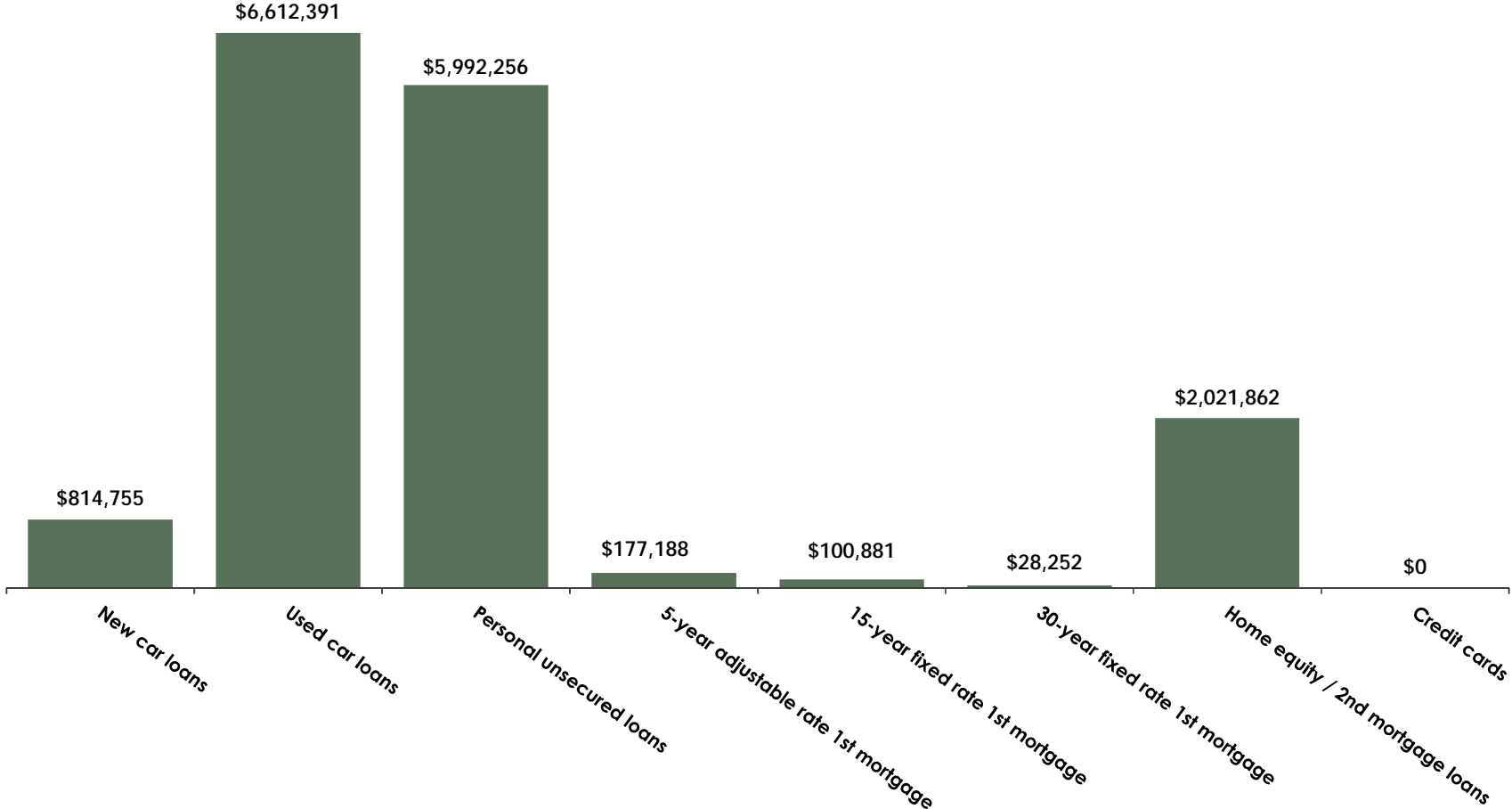
\*Rates and fees as of 1/13/2020. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# Membership Benefits Report

CUNA Economics and Statistics

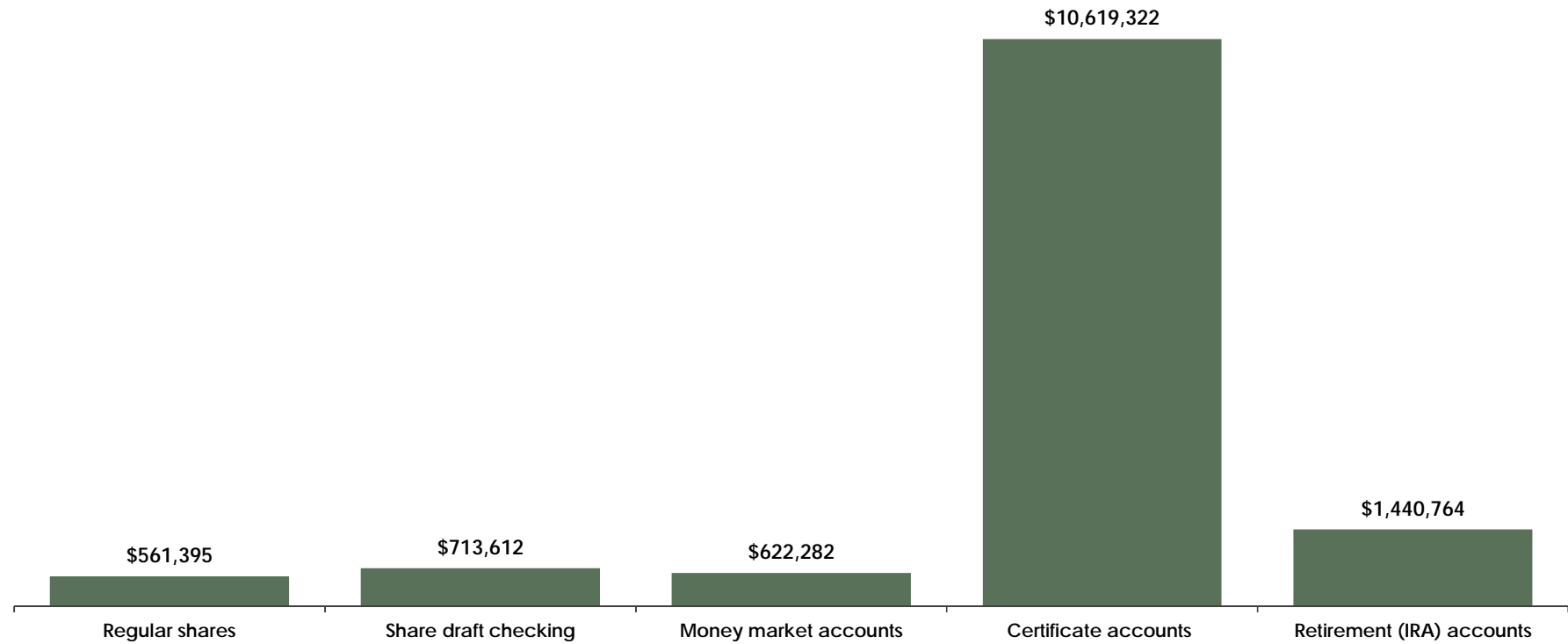
## Your Credit Union's Total Loan Rate Benefits

by Loan Type



## Your Credit Union's Total Savings Dividend Benefits

Compared to Banking Institutions in Your State  
by Account Type

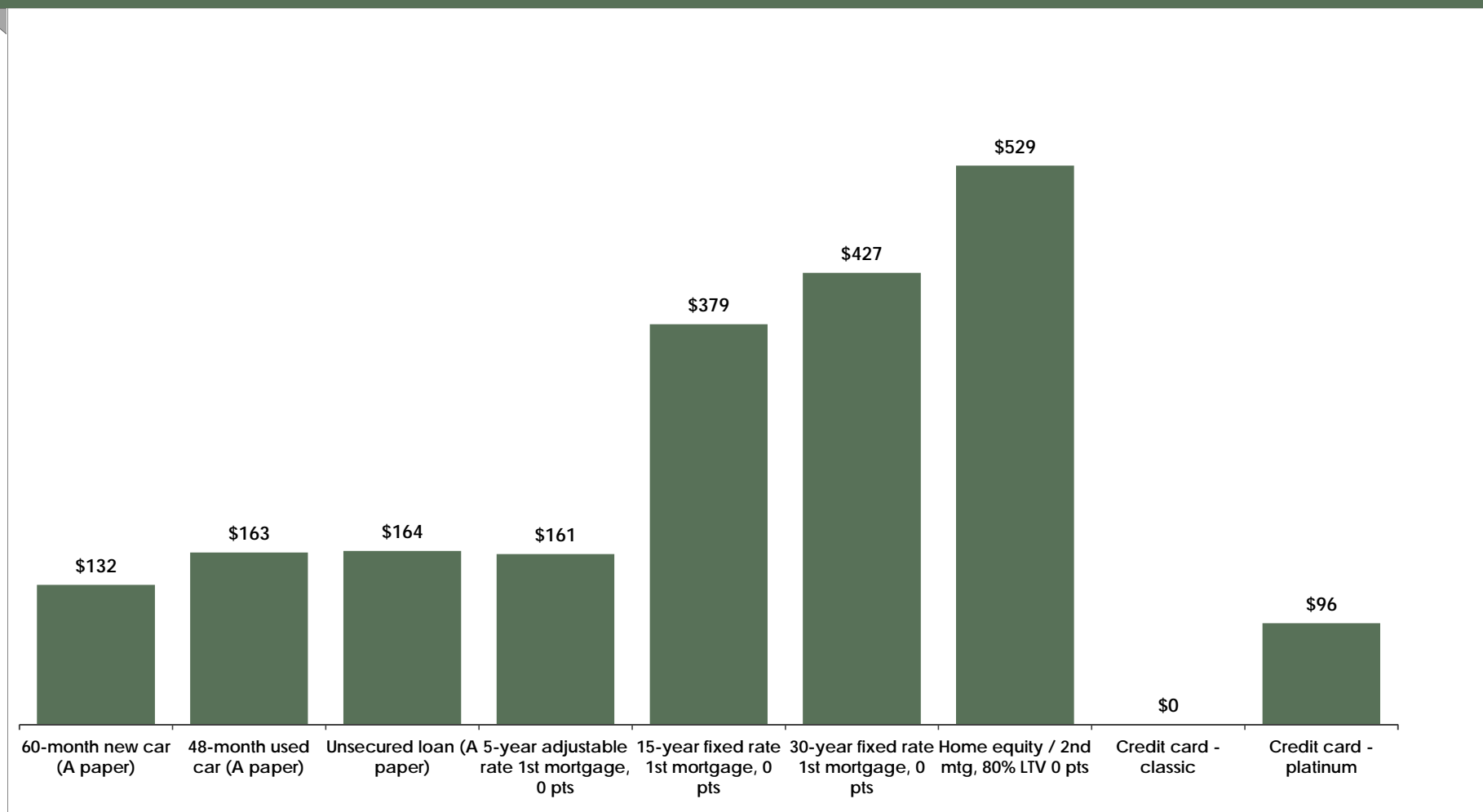




# Membership Benefits Report

CUNA Economics and Statistics

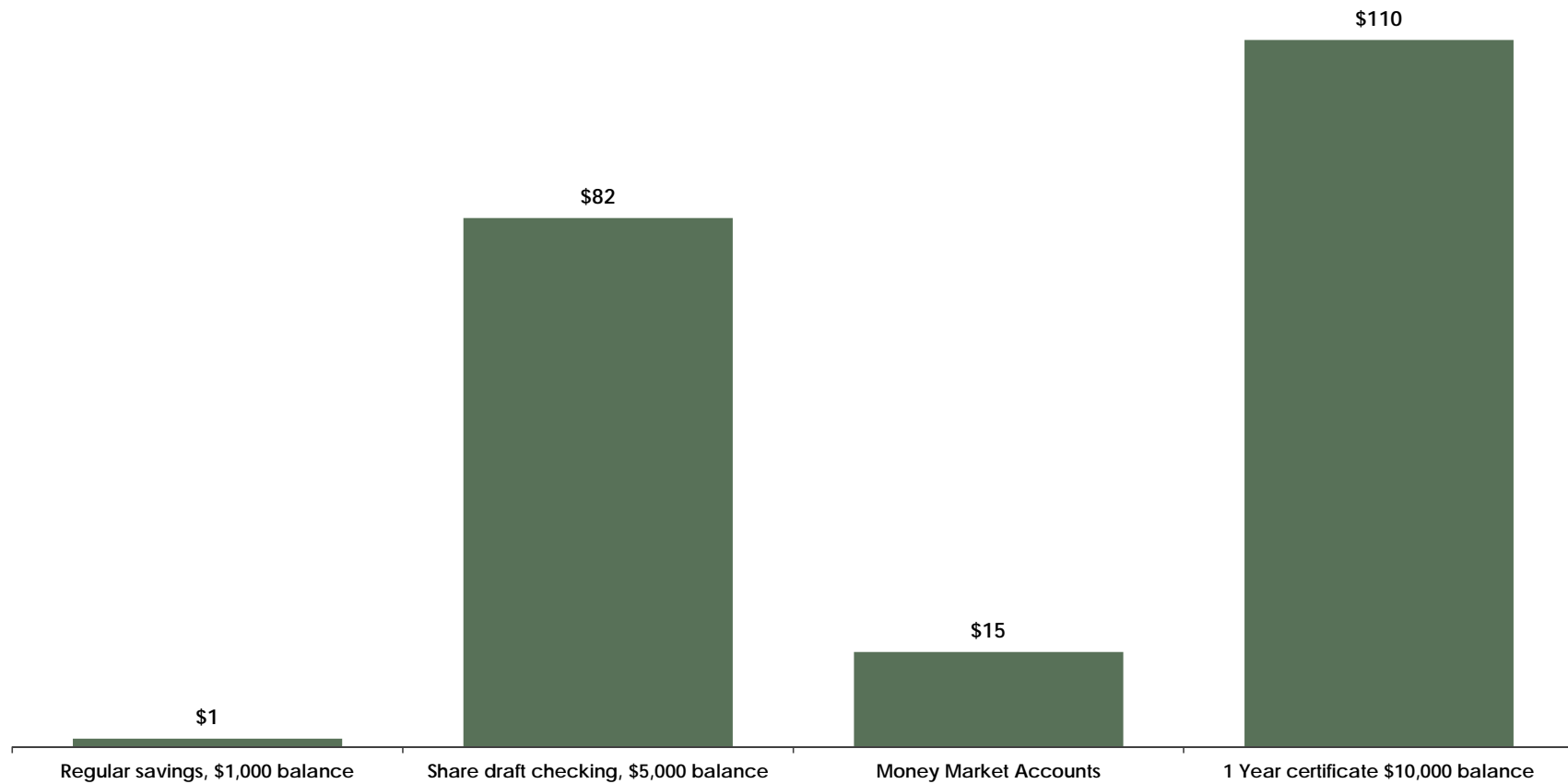
## Annual Member Benefit of Loan Products with Various Terms



# Membership Benefits Report

CUNA Economics and Statistics

## Annual Member Benefit on Savings Products with Various Terms



# Membership Benefits Report

CUNA Economics and Statistics

## Estimated Financial Benefits for Connexus CU

Loans	Avg. Balance at Your Credit Union (1)	Rate Difference vs. Wisconsin Banks (%) (2)	Financial Benefit to Your Members
New car loans	101,211,848	-0.81	\$814,755
Used car loans	439,653,650	-1.50	\$6,612,391
Personal unsecured loans	213,856,406	-2.80	\$5,992,256
5-year adjustable rate 1st mortgage	152,748,580	-0.12	\$177,188
15-year fixed rate 1st mortgage	31,136,235	-0.32	\$100,881
30-year fixed rate 1st mortgage	9,026,195	-0.31	\$28,252
Home equity / 2nd mortgage loans	104,273,415	-1.94	\$2,021,862
Credit cards	-	1.53	\$0
Interest rebates			\$0
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			<b>\$15,747,586</b>
<b>Savings</b>			
Regular shares	445,551,604	0.13	\$561,395
Share draft checking	43,407,085	1.64	\$713,612
Money market accounts	210,943,137	0.30	\$622,282
Certificate accounts	966,271,317	1.10	\$10,619,322
Retirement (IRA) accounts	206,709,258	0.70	\$1,440,764
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			<b>\$13,957,375</b>
<b>Fee Income</b>			
<b>Total CU member benefit arising from fewer/lower fees:</b>			<b>\$330,586</b>
<b>Total CU member benefit arising from interest rates on loan and savings products and lower fees:</b>			<b>\$30,035,547</b>
<b>Total CU member benefit / member:</b>			<b>\$87</b>
<b>Total CU member benefit / member household:</b>			<b>\$183</b>

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of September 2019 and September 2018 according to the NCUA call report.

(2) Rates and fees as of 1/13/2020. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# *Certificate of Excellence*

*is hereby granted to:*

**Connexus CU**

*The Credit Union National Association has determined that Connexus CU provided \$30,035,547 in direct financial benefits to its 344,092 members during the twelve months ending in September 2019.*

*These benefits are equivalent to approximately \$183 per member household.*

*Connexus CU provided loyal high-use member households \$864 in direct financial benefits.*

*Credit unions generally provide financial benefits to members by charging less for loans, paying more on deposits and charging fewer/lower fees compared to banking institutions.*



# Membership Benefits Report

CUNA Economics and Statistics

## Connexus CU Performance Profile

Demographic Information	Sep 19	Sep 18
Number of branches	12	11
Total assets (\$ mil)	2,637	1,949
Total loans (\$ mil)	2,315	1,752
Total surplus funds (\$ mil)	232	147
Total savings (\$ mil)	2,324	1,683
Total members (thousands)	361	327
Growth Rates (Year-to-date)		
Total assets	35.3 %	11.3 %
Total loans	32.1 %	10.0 %
Total surplus funds	57.6 %	11.9 %
Total savings	38.1 %	11.1 %
Total members	10.6 %	8.0 %
Earnings - Basis Pts.		
Yield on total assets	632	546
- Dividend/interest cost of assets	187	126
+ Fee & other income	93	131
- Operating expense	365	353
- Loss Provisions	32	29
= Net Income (ROA)	141	169
Capital adequacy		
Net worth / assets	9.2	9.7
Asset quality		
Delinquencies / loans	1.0	0.9
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	345	256
Bankruptcies per 1000 members	1.0	0.8
Asset/Liability Management		
Loans / savings	99.6	104.1
Loans / assets	87.8	89.9
Long-term assets / assets	3.6	4.1
Core deposits/shares & borrowings	22.5	26.0
Productivity		
Members/potential members	30.9	28.0
Borrowers/members	39.3	33.8
Members/FTE	1,055	1,121
Average shares/members (\$)	6,431	5,150
Average loan balances (\$)	16,285	15,863
Salary & Benefits/FTE	89,158	86,082



Transform member benefits into new business with a **Member Benefit Marketing Toolkit**

The Credit Union National Association (CUNA) and Datatrac have teamed up to bring you the analysis in this report. Member Benefit Marketing Tools provides you with practical applications for using data in this report to show members how much you save them, drive in new members, generate more loans and attract bigger deposits.

**Member Benefit Marketing Tools** prove to new and existing members:

- How much you saved your entire membership last year in interest and fees compared to the competition
- How much they will save on their next loan with you
- How much more they will earn on their deposits with you

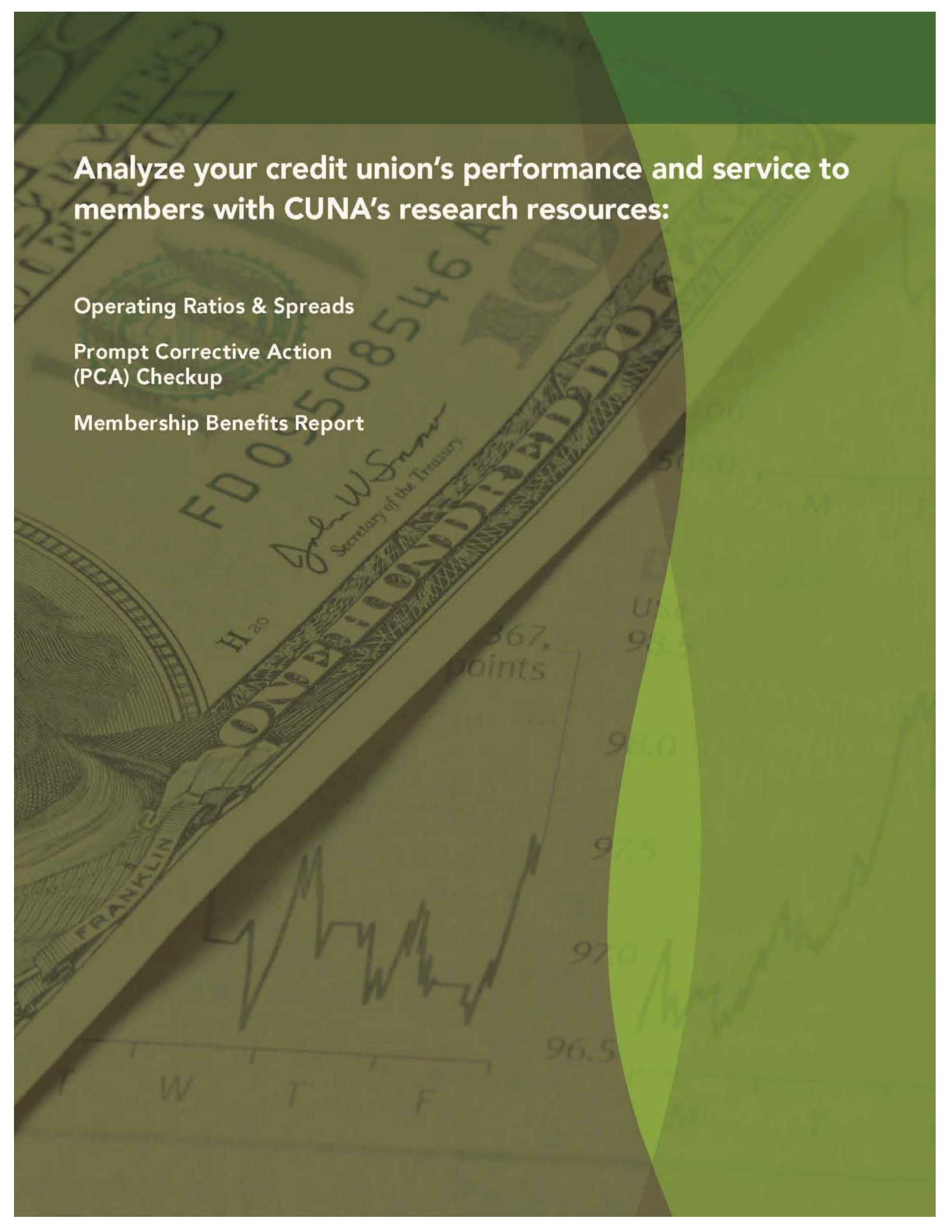
**Member Benefit Marketing Toolkits** include:

- Lead generation for loans, deposits and new members
- Competitive comparison widgets for your website
- Facebook app
- Animated graphics for branch lobby digital displays
- Proof Points for use in marketing collateral
- Award Certification & Trophy
- Press releases
- Newsletter copy
- Member handouts
- Subscription to the CUNA Member Benefits Report

Visit [www.datatrac.net/memberbenefits](http://www.datatrac.net/memberbenefits) to see live examples, schedule a demo and receive a free competitive analysis.

A promotional graphic for the Member Benefit Marketing Tools. It features a green background with a yellow ribbon that says 'NEW'. The main headline reads 'Show members how much you save them.' Below this, there are three callout boxes: 'Savings for your Entire Membership' (Amount you saved your entire membership last year), 'Savings by Product' (Amount a member on their next deposit or loan with you), and 'CUNA Membership Benefits Report' (Datatrac widget links to your custom report). The graphic also shows a screenshot of a website widget displaying 'ABC Financial CU members saved \$10,734,590!' and 'up to 27% lower!'. At the bottom, the logos for CUNA and DATATRAC are displayed.

Show members how much you save them with **Member Benefits Marketing Tools**



**Analyze your credit union's performance and service to members with CUNA's research resources:**

**Operating Ratios & Spreads**

**Prompt Corrective Action  
(PCA) Checkup**

**Membership Benefits Report**