CUNA
Credit Union National Association

Wisconsin
Membership Benefits Report

Year-End 2015

Prepared by:
CUNA Economics and Statistics

Wisconsin

The Benefits of Membership

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

The Credit Union National Association (CUNA) estimates that Wisconsin credit unions provided $141,615,022 in direct financial benefits to the state's 2,651,923 members during the twelve months ending December 2015.

These benefits are equivalent to $53 per member or $101 per member household [(1)].

Estimated total benefits of credit union membership are calculated by accounting for differences in credit union and bank pricing. Specifically, average credit union savings account yields, loan interest rates and fees are compared to average bank savings account yields, loan interest rates and fees. The interest rate differences are then applied to respective average credit union loan and savings balances. Fee differences are weighted and applied to credit union non-interest income to obtain the total estimated benefits arising from fees.

The per-member and per-household benefits delivered by Wisconsin credit unions are substantial, but these benefits are *averages*. Mathematically, that means the total benefits provided are divided across all members (or all member households) - even those who conduct very little financial business with Wisconsin credit unions.

Consider this:

Financing a $25,000 new automobile for 60 months at a Wisconsin credit union will save members an average $141 per year in interest expense compared to what they would pay at a banking institution in the state.

Further, loyal members - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

Wisconsin credit unions excel in providing member benefits on many loan and savings products. In particular, Wisconsin credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, first mortgage-fixed rate, home equity loans, credit cards loans.

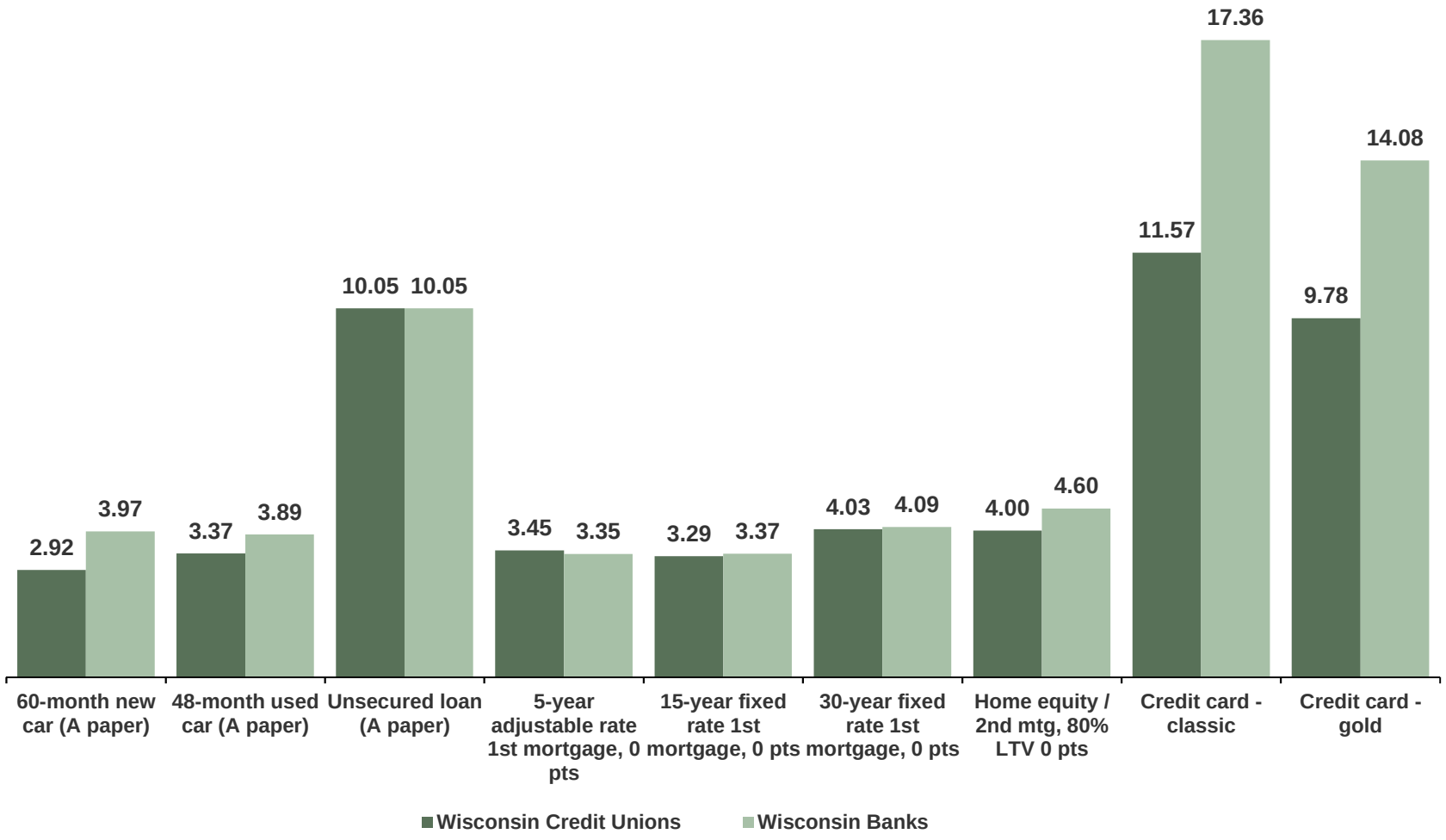
Wisconsin credit unions also pay members higher average dividends on the following accounts: regular savings, money market accounts, certificate accounts, IRAs.

AMERICA'S CREDIT UNIONS™

Source: Informa Research Services, NCUA, and CUNA.
(1)Assumes 1.9 credit union members per household.

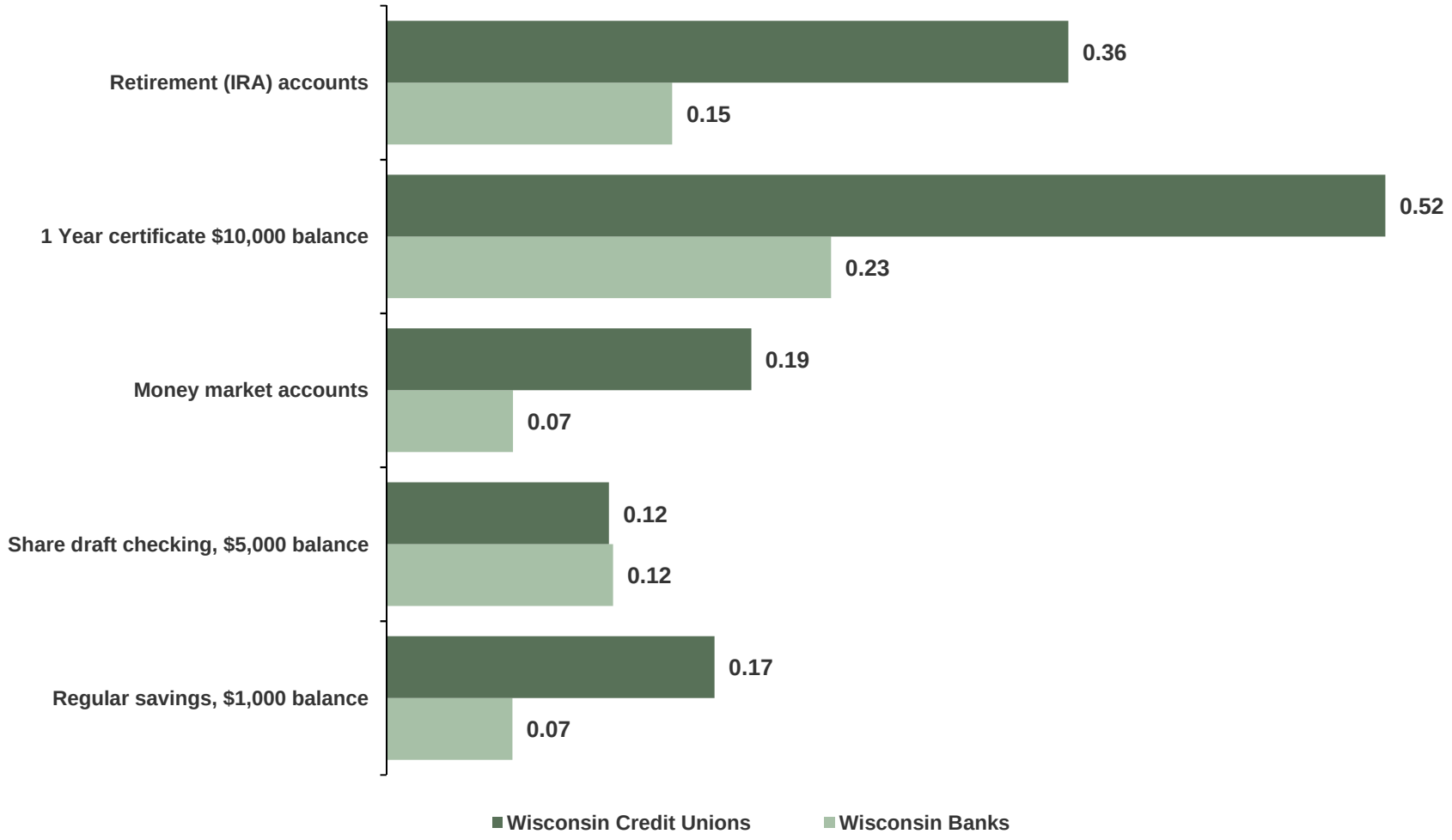
Loan Product Comparative Interest Rates (%)

by Loan Type



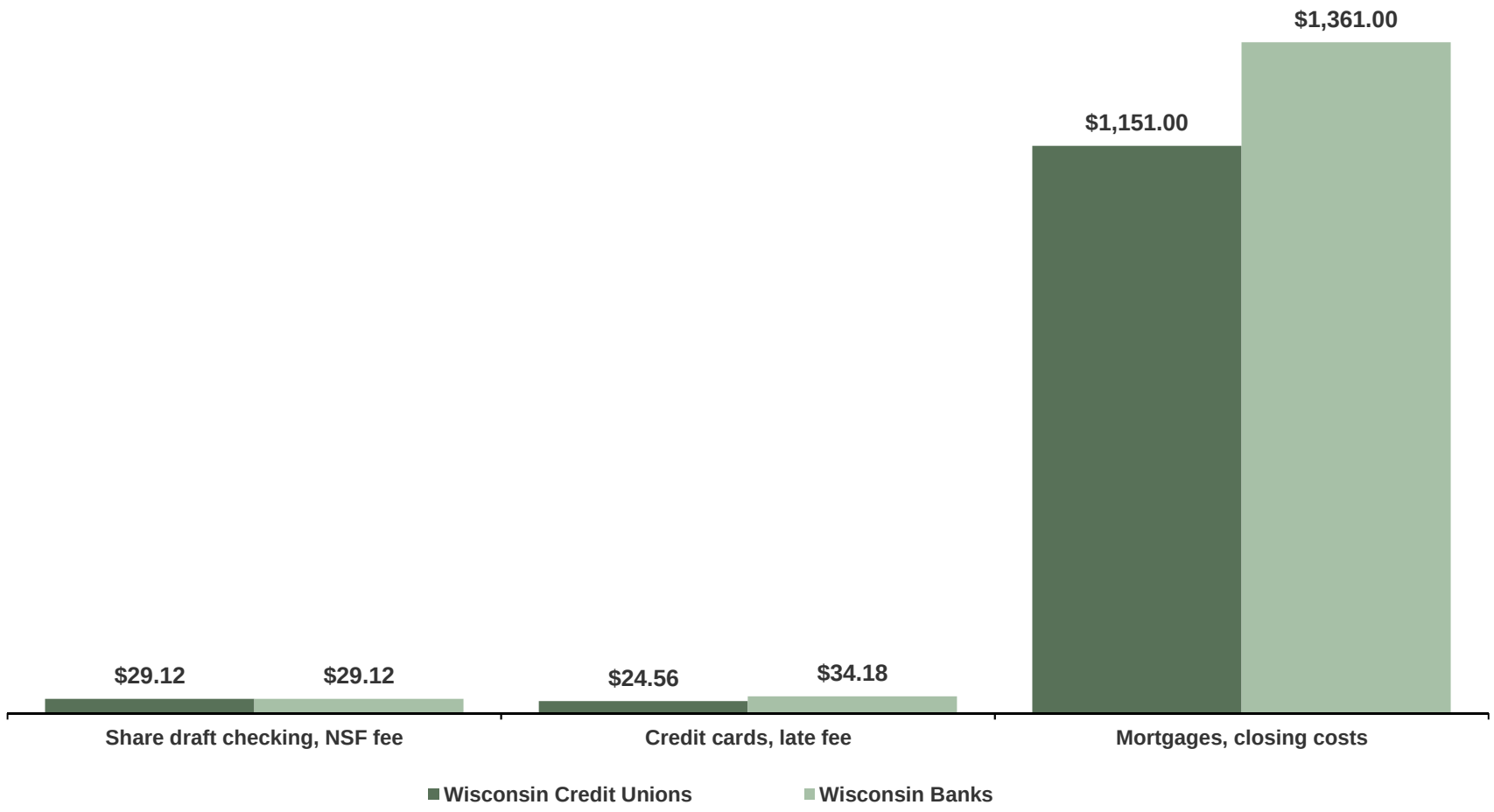
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



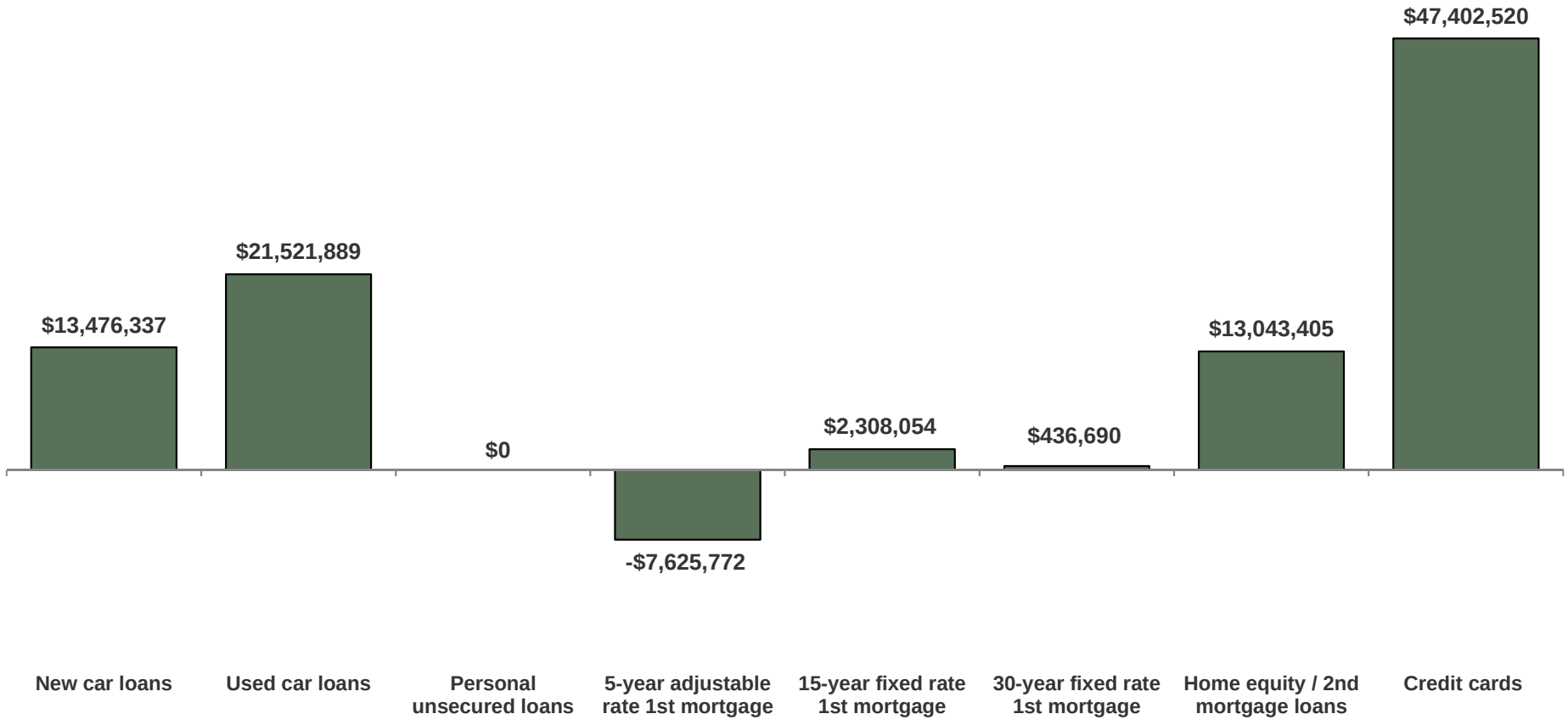
Wisconsin
Credit Union and Banking Institution
December 2015 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.92	3.97	-1.05
48-month used car (A paper)	3.37	3.89	-0.52
Unsecured loan (A paper)	10.05	10.05	0.00
5-year adjustable rate 1st mortgage, 0 pts	3.45	3.35	0.10
15-year fixed rate 1st mortgage, 0 pts	3.29	3.37	-0.07
30-year fixed rate 1st mortgage, 0 pts	4.03	4.09	-0.06
Home equity / 2nd mtg, 80% LTV 0 pts	4.00	4.60	-0.60
Credit card - classic	11.57	17.36	-5.79
Credit card - gold	9.78	14.08	-4.30
Savings Products			
Regular savings, $1,000 balance	0.17	0.07	0.11
Share draft checking, $5,000 balance	0.12	0.12	0.00
Money market accounts	0.19	0.07	0.12
1 Year certificate $10,000 balance	0.52	0.23	0.29
Retirement (IRA) accounts	0.36	0.15	0.21
Fee Income			
Share draft checking, NSF fee	$29.12	$29.12	$0.01
Credit cards, late fee	$24.56	$34.18	-$9.62
Mortgages, closing costs	$1,151.00	$1,361.00	-$210.00

Source: Informa Research Services

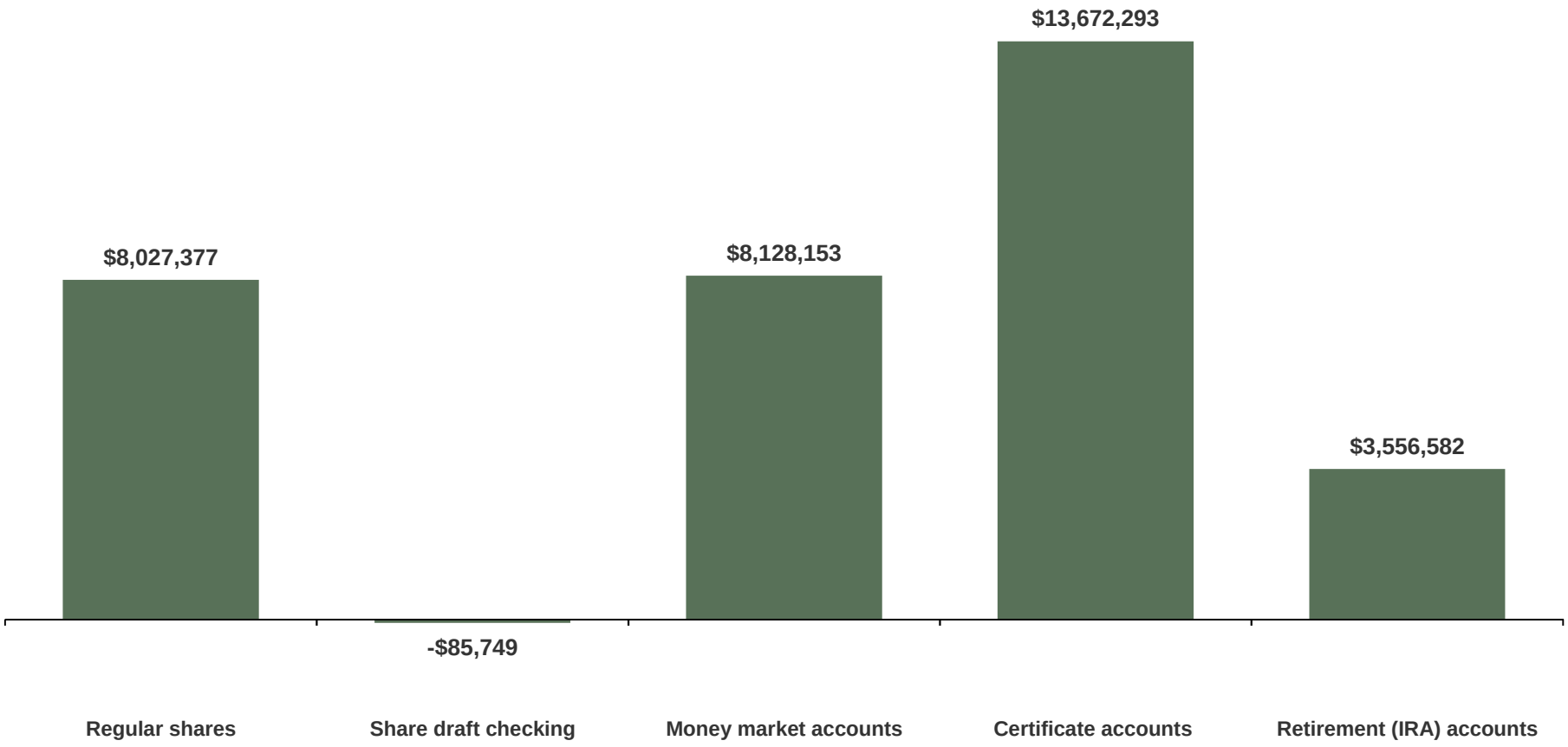
State Credit Union's Total Loan Rate Benefits

Compared to State Banking Institutions
by Loan Type



State Credit Union's Total Savings Dividend Benefits

Compared to State Banking Institutions
by Account Type



Estimated Financial Benefits for Wisconsin Credit Unions

December 2015

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Wisconsin Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	1,279,804,043	-1.05	$13,476,337
Used car loans	4,130,880,757	-0.52	$21,521,889
Personal unsecured loans	657,062,293	0.00	$0
5-year adjustable rate 1st mortgage	7,625,771,910	0.10	-$7,625,772
15-year fixed rate 1st mortgage	3,118,991,377	-0.07	$2,308,054
30-year fixed rate 1st mortgage	727,815,894	-0.06	$436,690
Home equity / 2nd mortgage loans	2,173,900,892	-0.60	$13,043,405
Credit cards	874,988,827	-5.79	$47,402,520
Interest rebates			$3,611,177
Total CU member benefits arising from lower interest rates on loan products:			$94,174,299
Savings			
Regular shares	7,589,963,616	0.11	$8,027,377
Share draft checking	3,906,064,097	0.00	-$85,749
Money market accounts	6,525,624,366	0.12	$8,128,153
Certificate accounts	4,717,157,693	0.29	$13,672,293
Retirement (IRA) accounts	1,716,500,147	0.21	$3,556,582
Bonus dividends in period			$0
Total CU member benefit arising from higher interest rates on savings products:			$33,298,656
Fee Income			
Total CU member benefit arising from fewer / lower fees:			$14,142,067
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			$141,615,022
Total CU member benefit / member:			$53
Total CU member benefit / member household:			$101

Source: Informa Research Services, NCUA, and CUNA

(1) Average balance as of December 2015 and December 2014, according to the NCUA call report.; (2) Source for rates and fees: Informa Research Services;

Wisconsin Credit Union
Performance Profile

Demographic Information	Dec 15	Dec 14
Number of branches	643	638
Total assets ($ mil)	30,417	27,843
Total loans ($ mil)	23,611	21,495
Total surplus funds ($ mil)	5,533	5,151
Total savings ($ mil)	26,087	23,925
Total members (thousands)	2,757	2,592
Growth Rates (Trailing 12 months) *		
Total assets	10.1 %	10.9 %
Total loans	10.6 %	14.9 %
Total surplus funds	8.8 %	-3.9 %
Total savings	9.9 %	10.5 %
Total members	7.5 %	8.9 %
Earnings - Basis Pts. *		
Yield on total assets	344	348
Dividend / interest cost of assets	43	42
Fee & other income	143	123
Operating expense	326	325
Loss Provisions	16	21
Net Income (ROA) after stabilization exp	101	83
Capital Adequacy		
Net worth / assets	11.0	10.9
Asset Quality *		
Delinquencies / loans	0.8	1.0
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	26	32
Bankruptcies per 1000 members	1.5	2.0
Asset/Liability Management		
Loans / savings	90.5	89.8
Loans / assets	77.6	77.2
Long-term assets / assets	34.2	33.6
Core deposits/shares & borrowings	47.4	44.4
Productivity		
Members / potential members	4.9	4.9
Borrowers / members	66.6	66.7
Members / FTE	344	338
Average shares / members ($)	9,461	9,231
Average loan balances ($)	12,865	12,433
Salary & Benefits / FTE	61,616	58,317

*** Earnings, net chargeoffs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months.**