

CUNA Missouri
**MEMBERSHIP BENEFITS
REPORT**



Missouri

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 Missouri credit unions provided \$110,182,214 in direct financial benefits to the state's 1,580,114 members during the twelve months ending December 2018.

These benefits are equivalent to \$70 per member or \$146 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 Missouri 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 Missouri credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Missouri credit union will save members an average \$184 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.

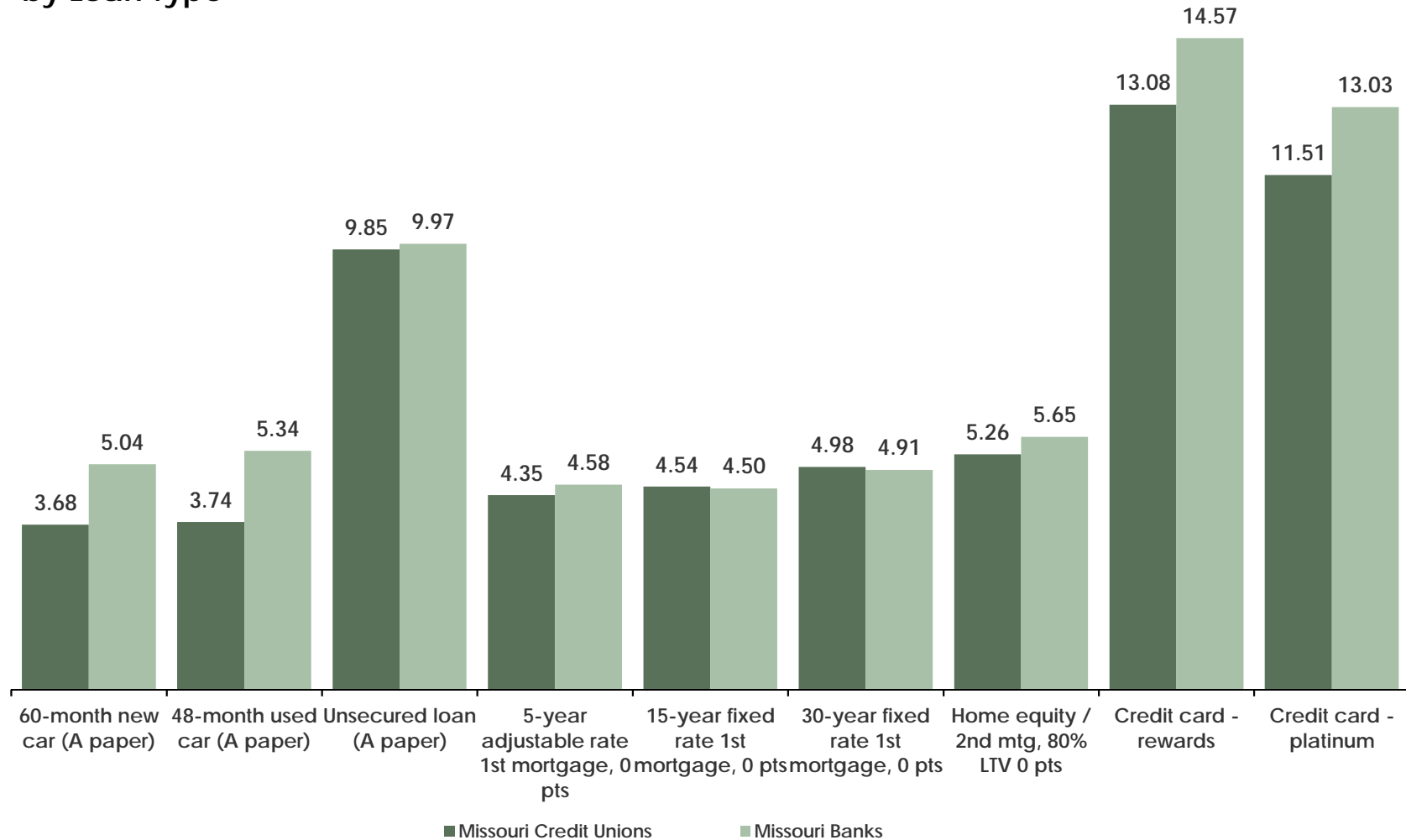
Missouri credit unions excel in providing member benefits on many loan and savings products. In particular, Missouri credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-adjustable rate, home equity loans, credit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

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



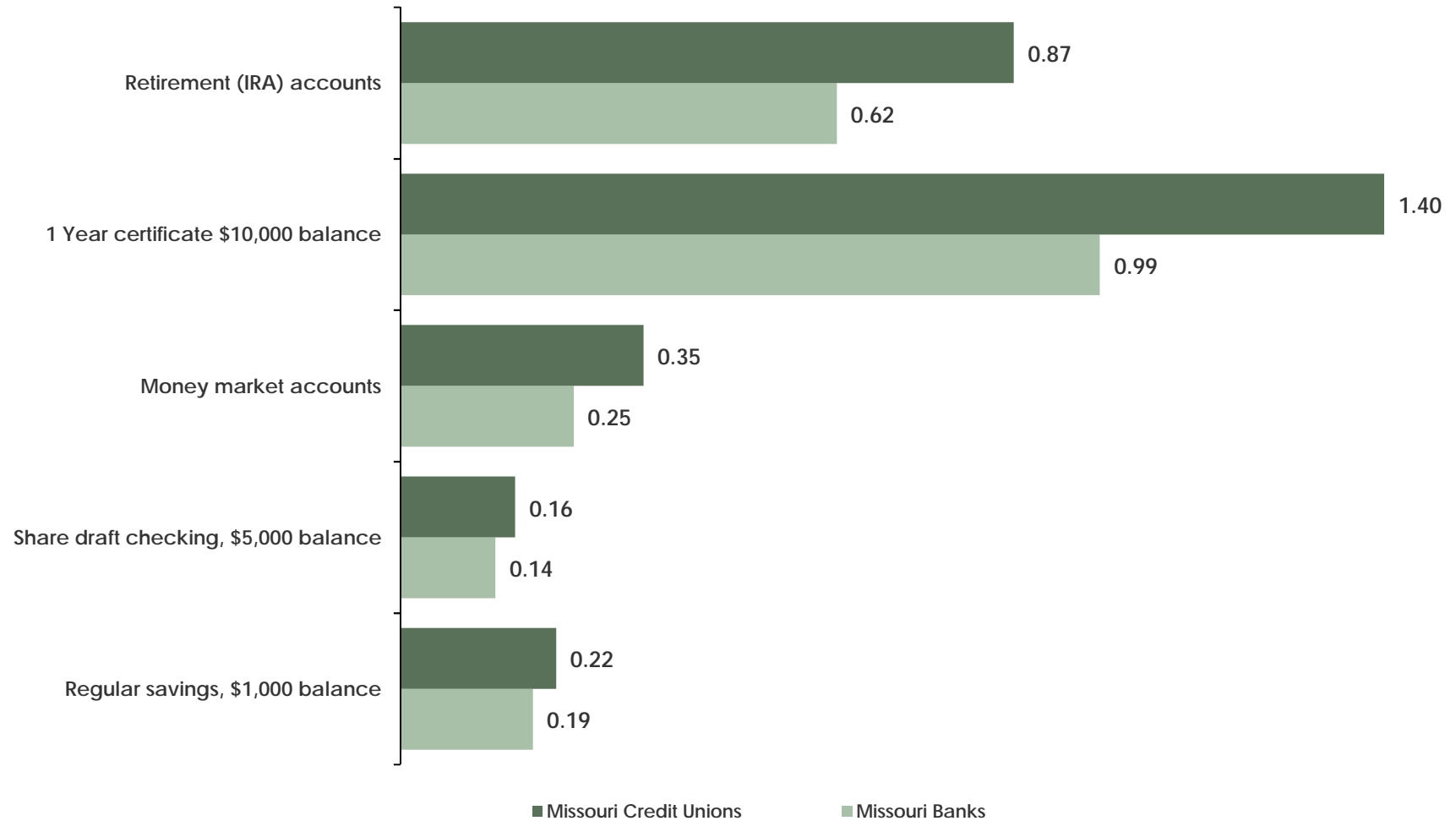
Loan Product Comparative Interest Rates (%)

by Loan Type



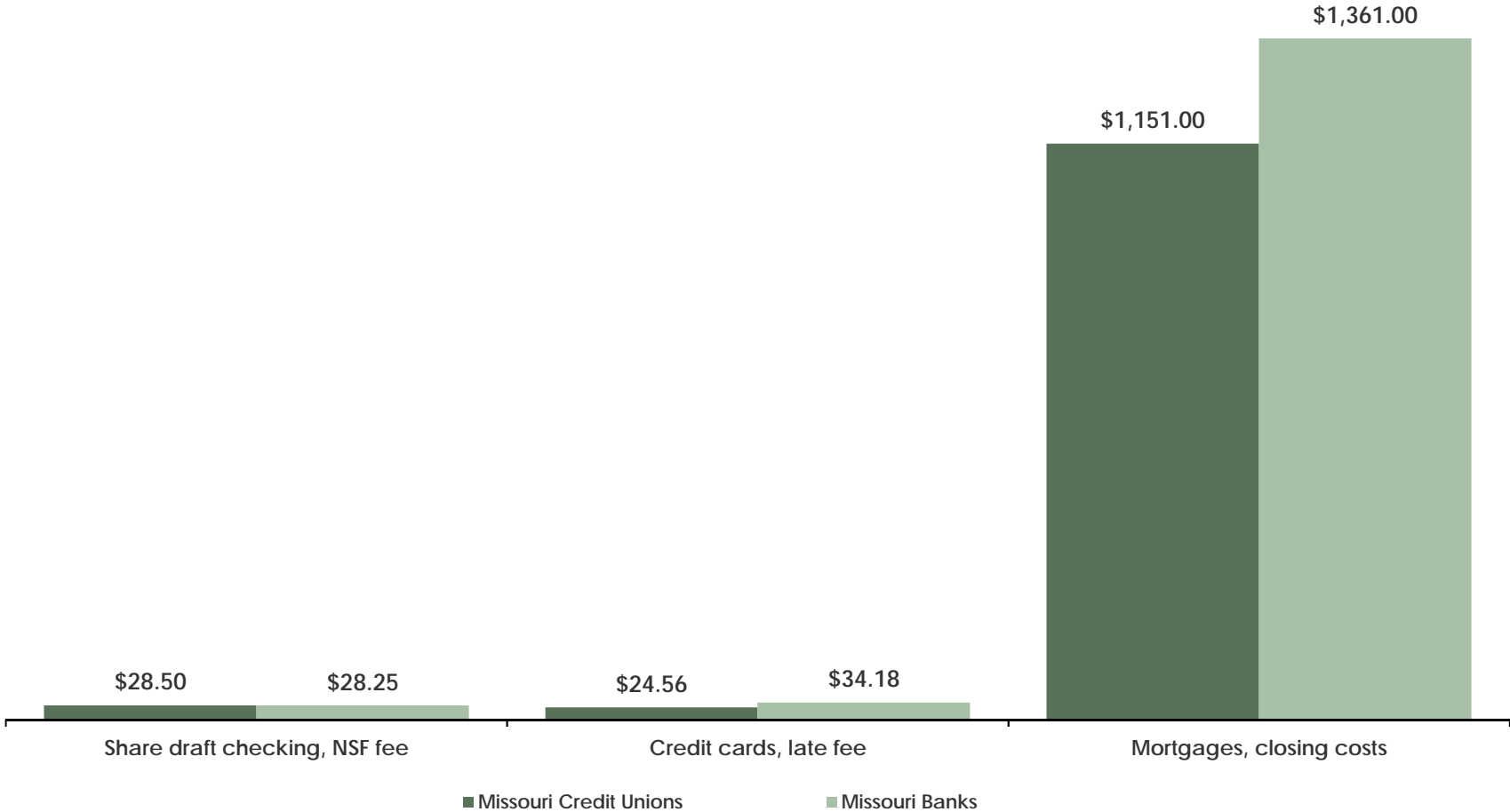
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



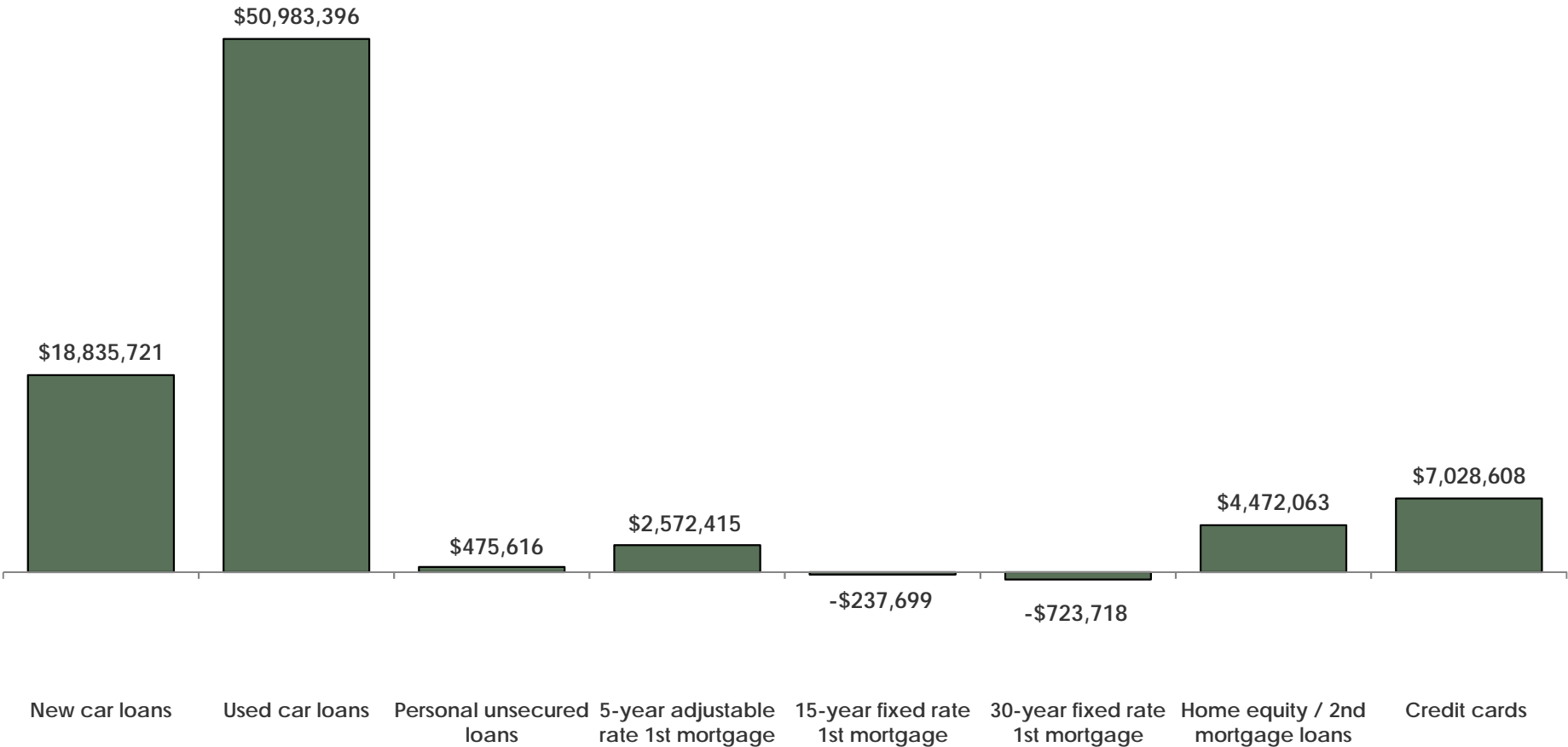
Missouri Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.68	5.04	-1.35
48-month used car (A paper)	3.74	5.34	-1.60
Unsecured loan (A paper)	9.85	9.97	-0.12
5-year adjustable rate 1st mortgage, 0 pts	4.35	4.58	-0.24
15-year fixed rate 1st mortgage, 0 pts	4.54	4.50	0.04
30-year fixed rate 1st mortgage, 0 pts	4.98	4.91	0.06
Home equity / 2nd mtg, 80% LTV 0 pts	5.26	5.65	-0.39
Credit card - rewards	13.08	14.57	-1.49
Credit card - platinum	11.51	13.03	-1.52
Savings Products			
Regular savings, \$1,000 balance	0.22	0.19	0.03
Share draft checking, \$5,000 balance	0.16	0.14	0.03
Money market accounts	0.35	0.25	0.10
1 Year certificate \$10,000 balance	1.40	0.99	0.40
Retirement (IRA) accounts	0.87	0.62	0.25
Fee Income			
Share draft checking, NSF fee	\$28.50	\$28.25	\$0.25
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

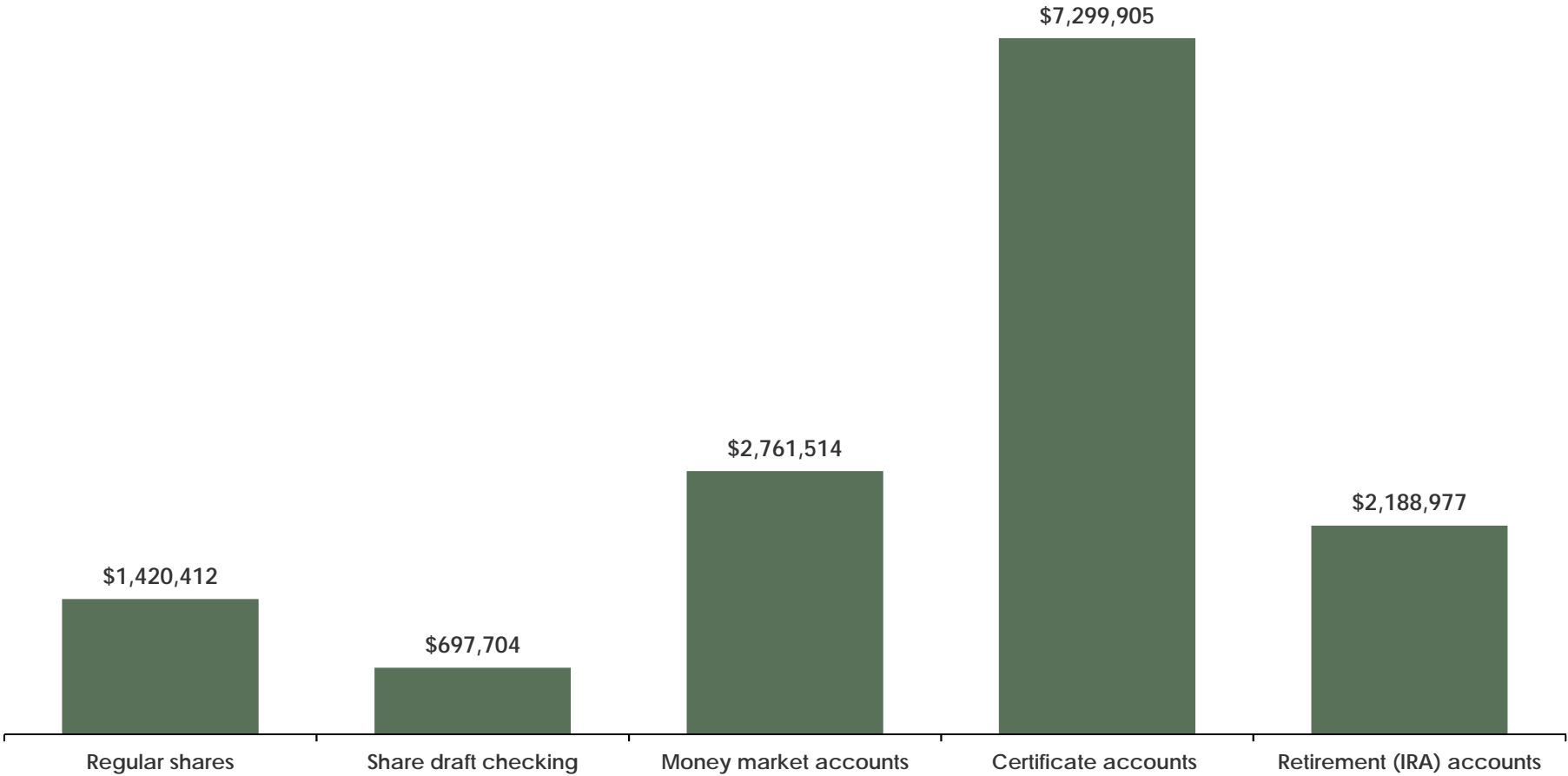
State Credit Union's Total Loan Rate Benefits

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 Missouri Credit Unions December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Missouri Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	1,393,174,658	-1.35	\$18,835,721
Used car loans	3,196,451,171	-1.60	\$50,983,396
Personal unsecured loans	386,680,001	-0.12	\$475,616
5-year adjustable rate 1st mortgage	1,085,407,317	-0.24	\$2,572,415
15-year fixed rate 1st mortgage	594,247,025	0.04	-\$237,699
30-year fixed rate 1st mortgage	1,113,411,952	0.06	-\$723,718
Home equity / 2nd mortgage loans	1,158,565,652	-0.39	\$4,472,063
Credit cards	468,964,649	-1.49	\$7,028,608
Interest rebates			\$1,672,351
Total CU member benefits arising from lower interest rates on loan products:			\$85,078,755
Savings			
Regular shares	4,304,278,420	0.03	\$1,420,412
Share draft checking	2,491,800,312	0.03	\$697,704
Money market accounts	2,789,408,047	0.10	\$2,761,514
Certificate accounts	1,811,390,773	0.40	\$7,299,905
Retirement (IRA) accounts	872,102,313	0.25	\$2,188,977
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$14,368,512
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$10,734,948
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$110,182,214
Total CU member benefit / member:			\$70
Total CU member benefit / member household:			\$146

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2018 and December 2017, according to the NCUA call report.; (2) Source for rates and fees: Datatrac;

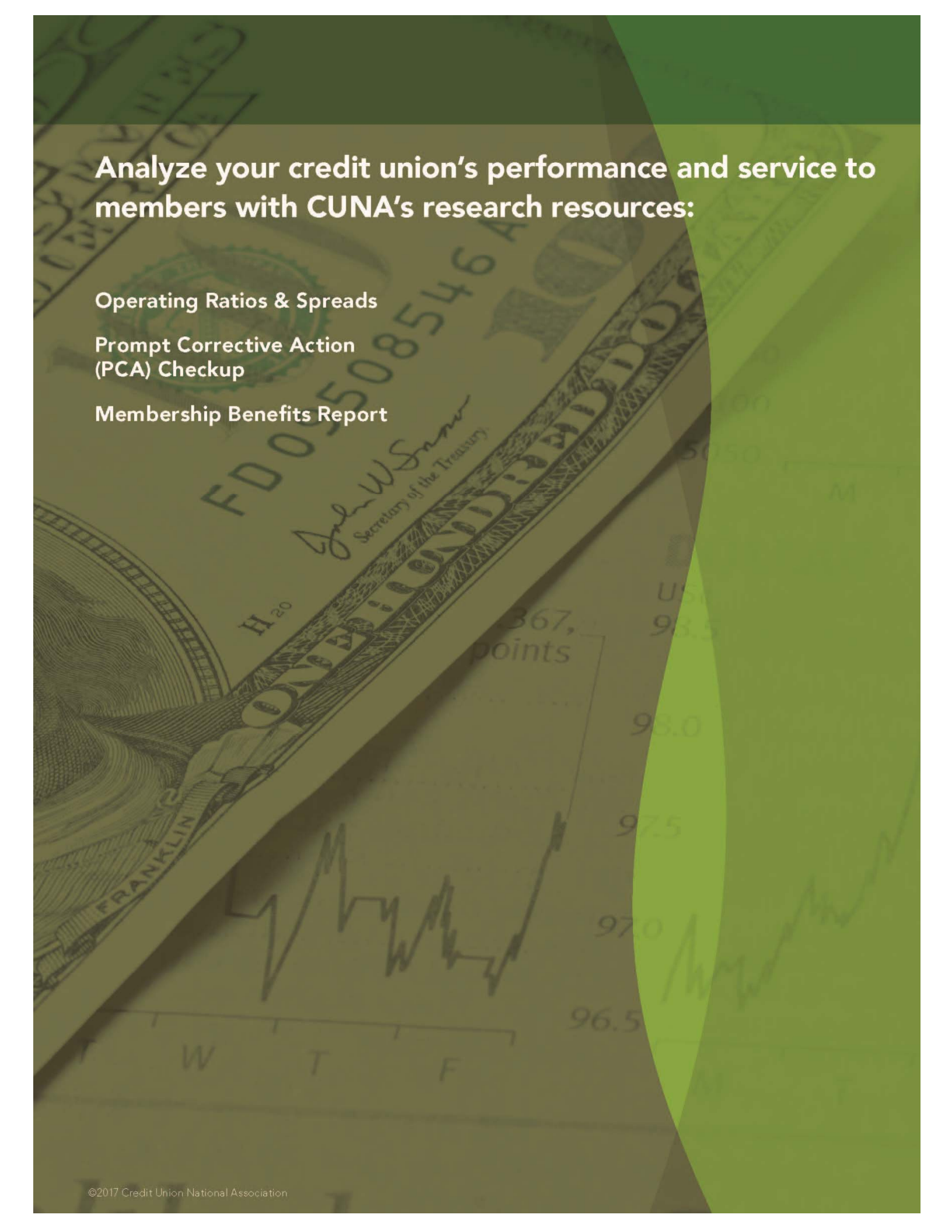
Membership Benefits Report

CUNA Economics and Statistics

Missouri Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	354	355
Total assets (\$ mil)	14,807	14,289
Total loans (\$ mil)	10,372	9,580
Total surplus funds (\$ mil)	3,614	3,906
Total savings (\$ mil)	12,622	12,193
Total members (thousands)	1,611	1,558
Growth Rates (Trailing 12 months) *		
Total assets	3.9 %	5.4 %
Total loans	8.5 %	9.4 %
Total surplus funds	-6.9 %	-3.6 %
Total savings	3.8 %	4.8 %
Total members	3.9 %	3.1 %
Earnings - Basis Pts. *		
Yield on total assets	376	349
Dividend / interest cost of assets	62	49
Fee & other income	221	196
Operating expense	420	401
Loss Provisions	48	52
Net Income (ROA) after stabilization exp	67	43
Capital Adequacy		
Net worth / assets	10.9	10.6
Asset Quality *		
Delinquencies / loans	0.8	0.8
Net chargeoffs / average loans	0.7	0.7
Total borrower-bankruptcies	31	42
Bankruptcies per 1000 members	2.1	3.1
Asset/Liability Management		
Loans / savings	82.2	78.6
Loans / assets	70.1	67.0
Long-term assets / assets	27.4	27.9
Core deposits/shares & borrowings	54.6	53.5
Productivity		
Members / potential members	4.2	4.1
Borrowers / members	49.0	48.9
Members / FTE	364	368
Average shares / members (\$)	7,837	7,826
Average loan balances (\$)	13,134	12,580
Salary & Benefits / FTE	69,238	65,988

* 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.



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