

CUNA West Virginia
**MEMBERSHIP BENEFITS
REPORT**



West Virginia

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 West Virginia credit unions provided \$23,091,514 in direct financial benefits to the state's 378,557 members during the twelve months ending December 2018.

These benefits are equivalent to \$61 per member or \$128 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 West Virginia 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 West Virginia credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a West Virginia credit union will save members an average \$80 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.

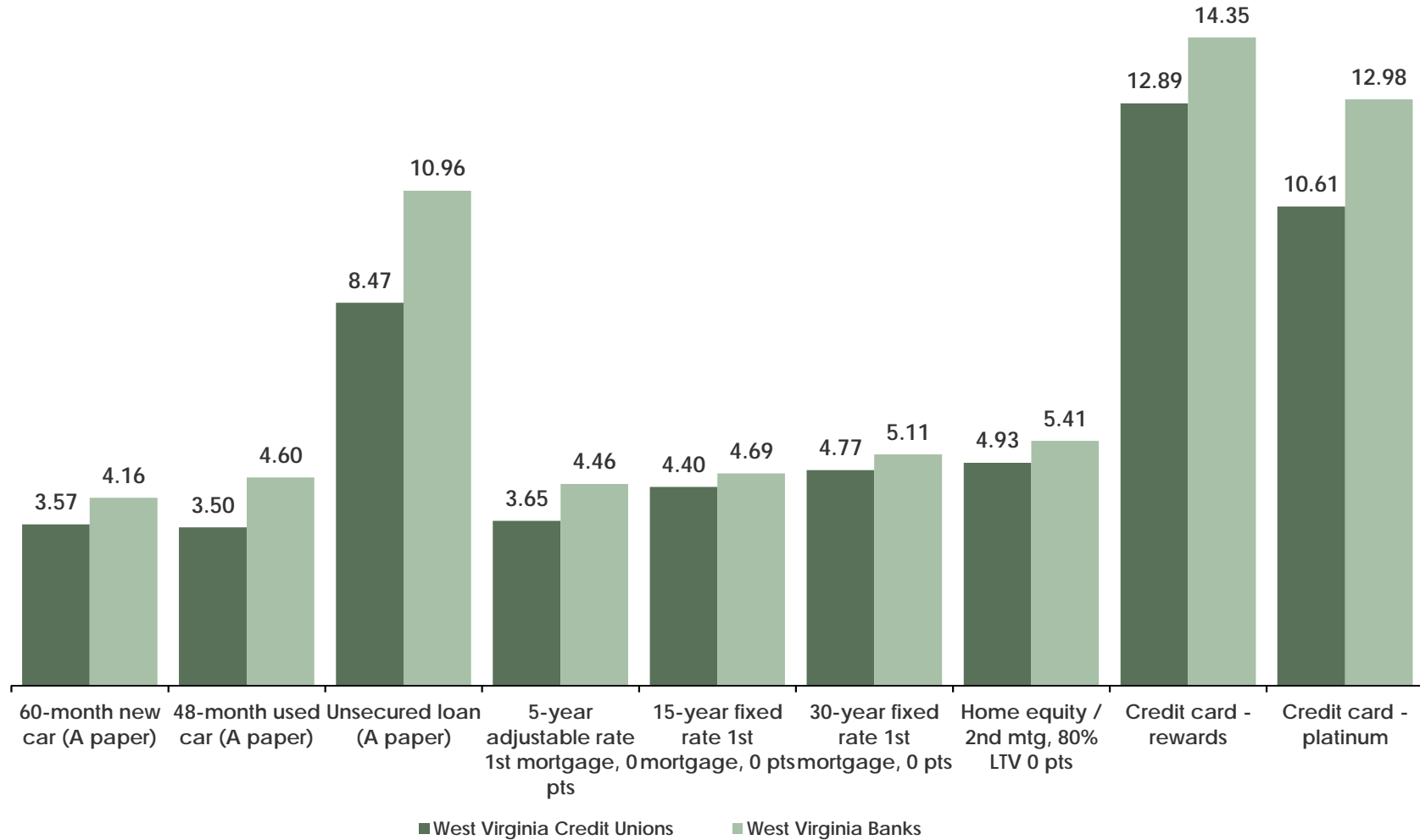
West Virginia credit unions excel in providing member benefits on many loan and savings products. In particular, West Virginia credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable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

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



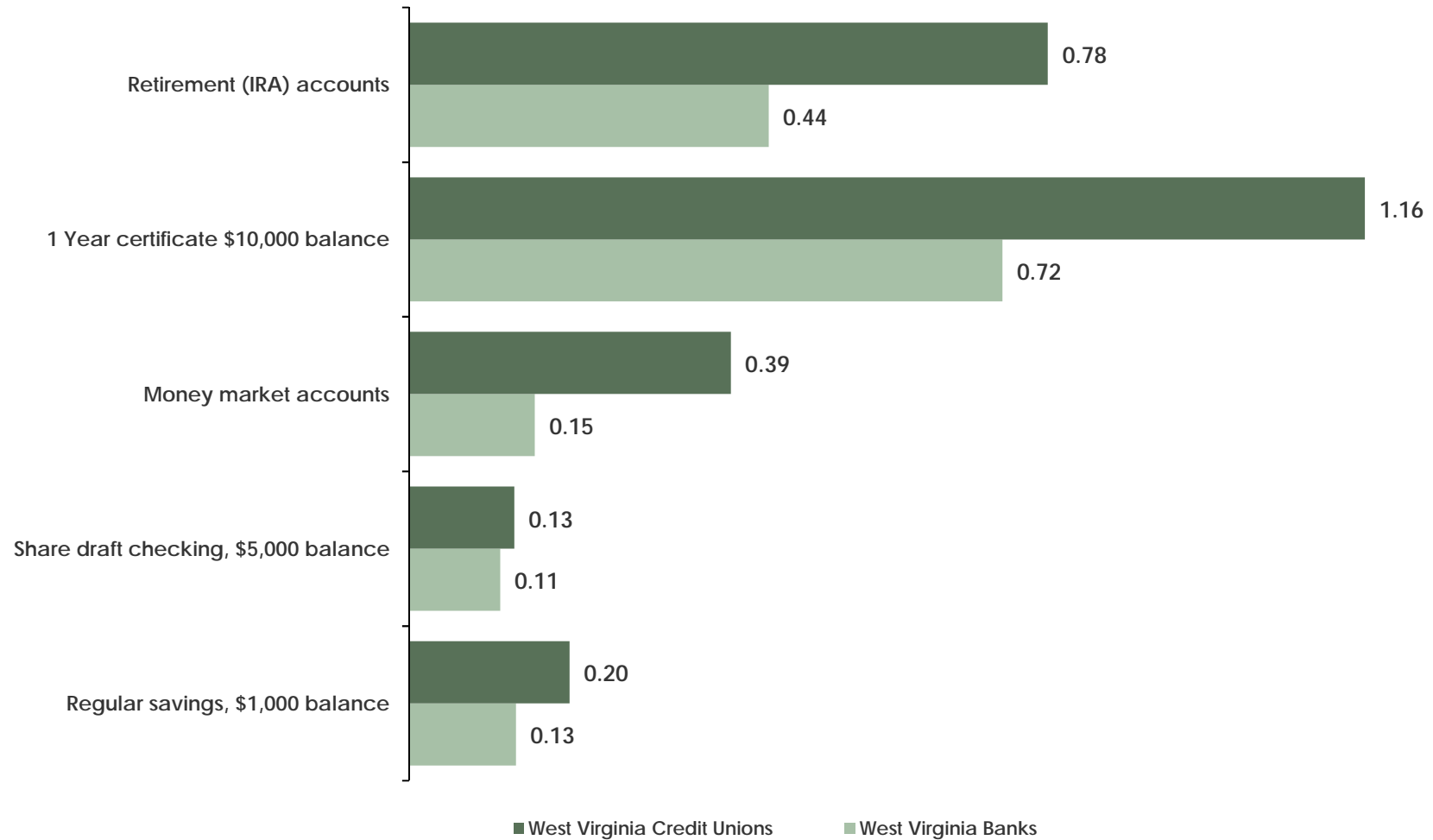
Loan Product Comparative Interest Rates (%)

by Loan Type



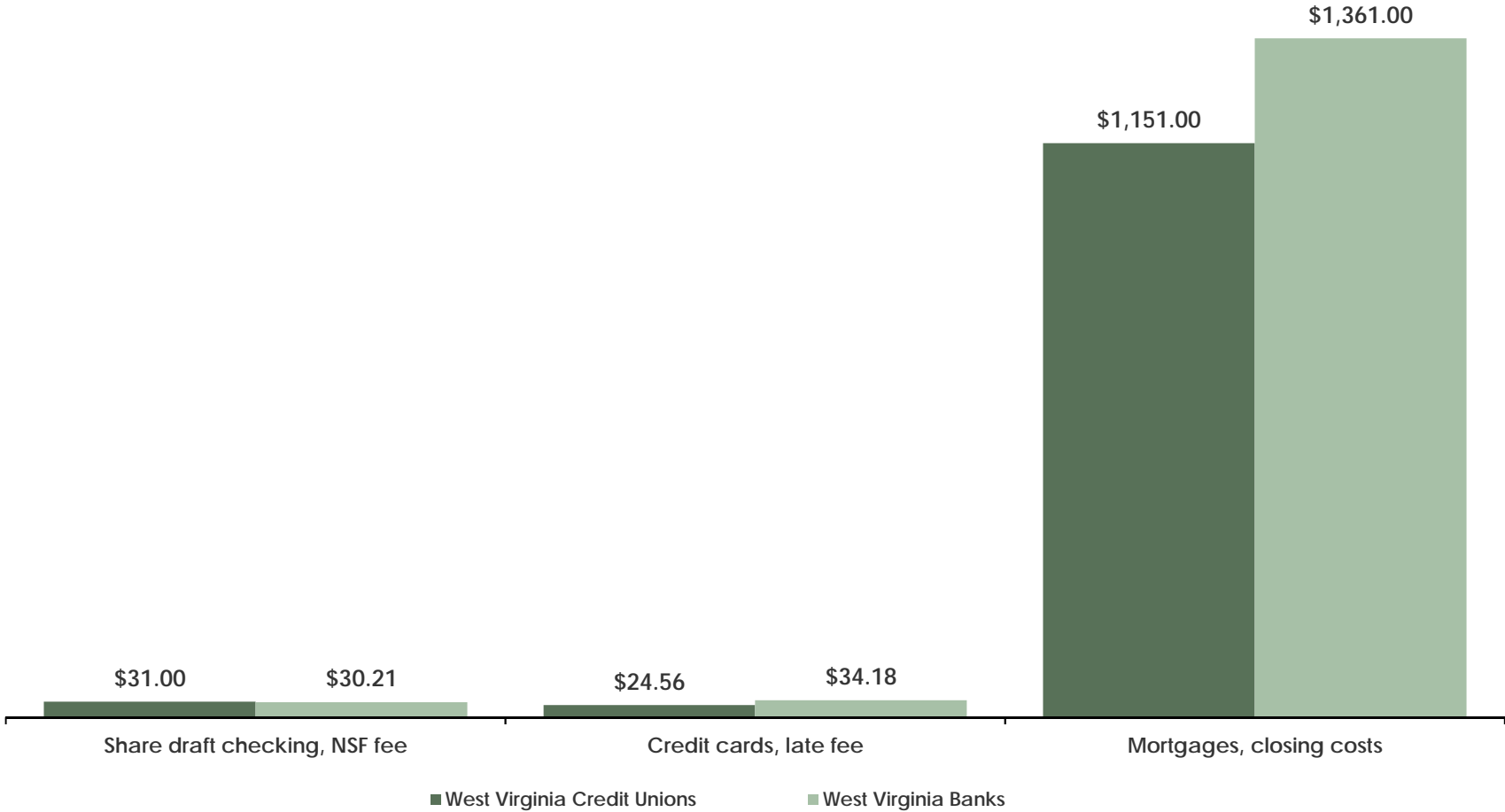
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



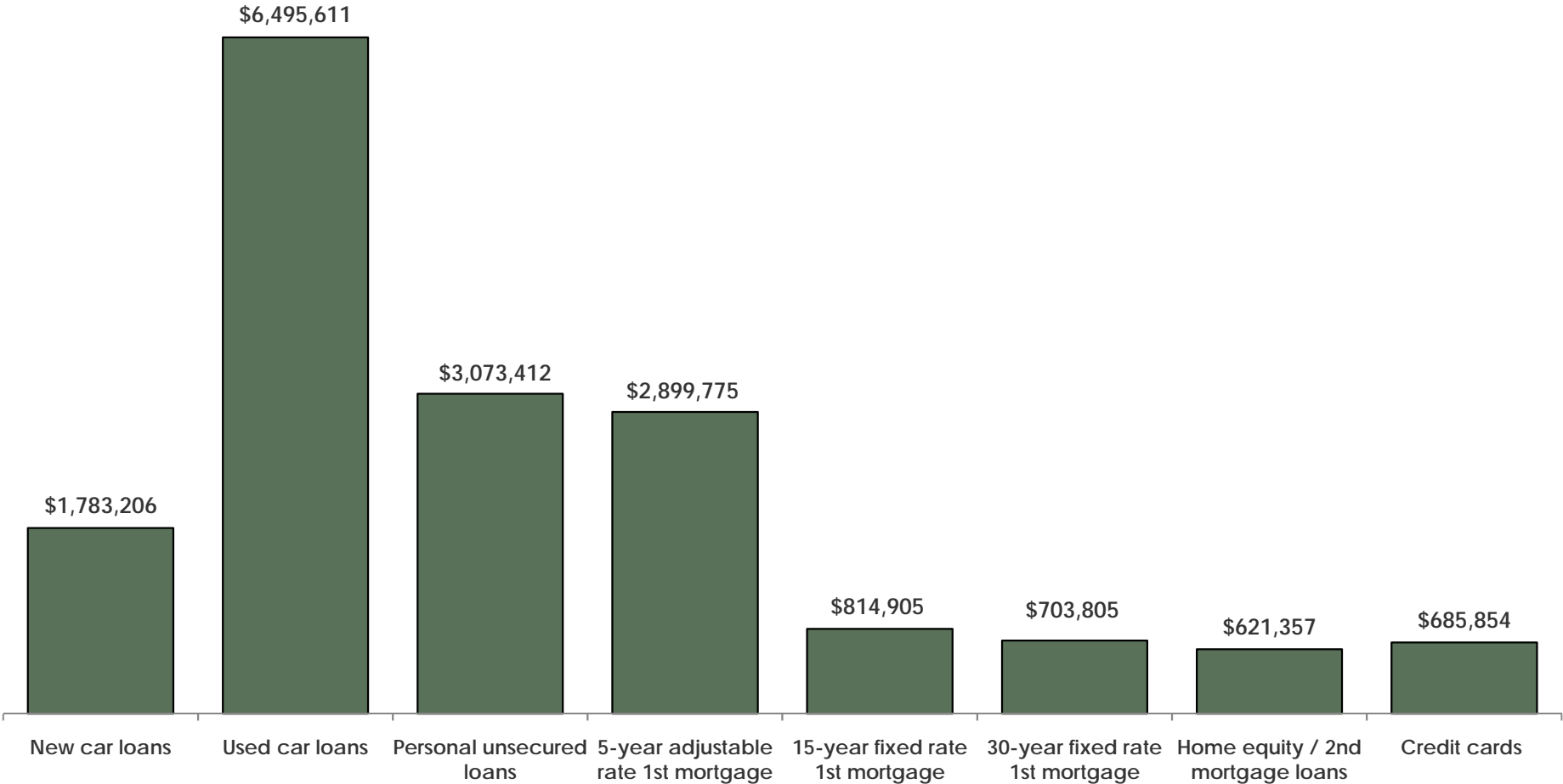
West Virginia Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.57	4.16	-0.59
48-month used car (A paper)	3.50	4.60	-1.10
Unsecured loan (A paper)	8.47	10.96	-2.48
5-year adjustable rate 1st mortgage, 0 pts	3.65	4.46	-0.82
15-year fixed rate 1st mortgage, 0 pts	4.40	4.69	-0.30
30-year fixed rate 1st mortgage, 0 pts	4.77	5.11	-0.35
Home equity / 2nd mtg, 80% LTV 0 pts	4.93	5.41	-0.48
Credit card - rewards	12.89	14.35	-1.46
Credit card - platinum	10.61	12.98	-2.37
Savings Products			
Regular savings, \$1,000 balance	0.20	0.13	0.07
Share draft checking, \$5,000 balance	0.13	0.11	0.02
Money market accounts	0.39	0.15	0.24
1 Year certificate \$10,000 balance	1.16	0.72	0.44
Retirement (IRA) accounts	0.78	0.44	0.34
Fee Income			
Share draft checking, NSF fee	\$31.00	\$30.21	\$0.79
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

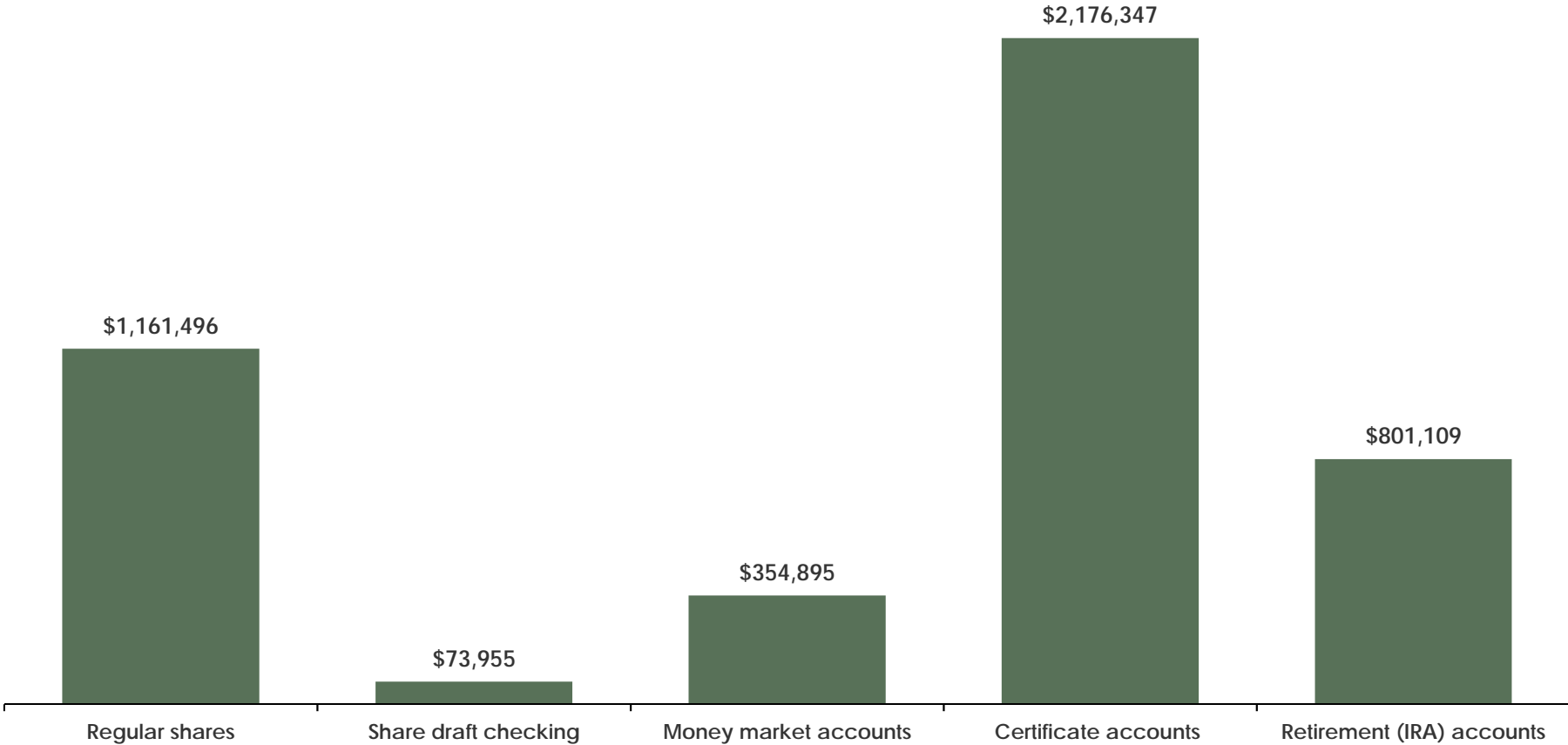
State Credit Union's Total Loan Rate Benefits

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 West Virginia Credit Unions December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. West Virginia Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	302,238,293	-0.59	\$1,783,206
Used car loans	589,438,390	-1.10	\$6,495,611
Personal unsecured loans	123,778,161	-2.48	\$3,073,412
5-year adjustable rate 1st mortgage	354,929,621	-0.82	\$2,899,775
15-year fixed rate 1st mortgage	273,458,132	-0.30	\$814,905
30-year fixed rate 1st mortgage	202,242,712	-0.35	\$703,805
Home equity / 2nd mortgage loans	128,114,911	-0.48	\$621,357
Credit cards	40,673,326	-1.46	\$685,854
Interest rebates			\$8,171
Total CU member benefits arising from lower interest rates on loan products:			\$17,086,096
<i>Savings</i>			
Regular shares	1,786,917,139	0.07	\$1,161,496
Share draft checking	435,031,990	0.02	\$73,955
Money market accounts	149,115,595	0.24	\$354,895
Certificate accounts	494,624,247	0.44	\$2,176,347
Retirement (IRA) accounts	236,315,291	0.34	\$801,109
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$4,567,802
<i>Fee Income</i>			
Total CU member benefit arising from fewer / lower fees:			\$1,437,616
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$23,091,514
Total CU member benefit / member:			\$61
Total CU member benefit / member household:			\$128

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;

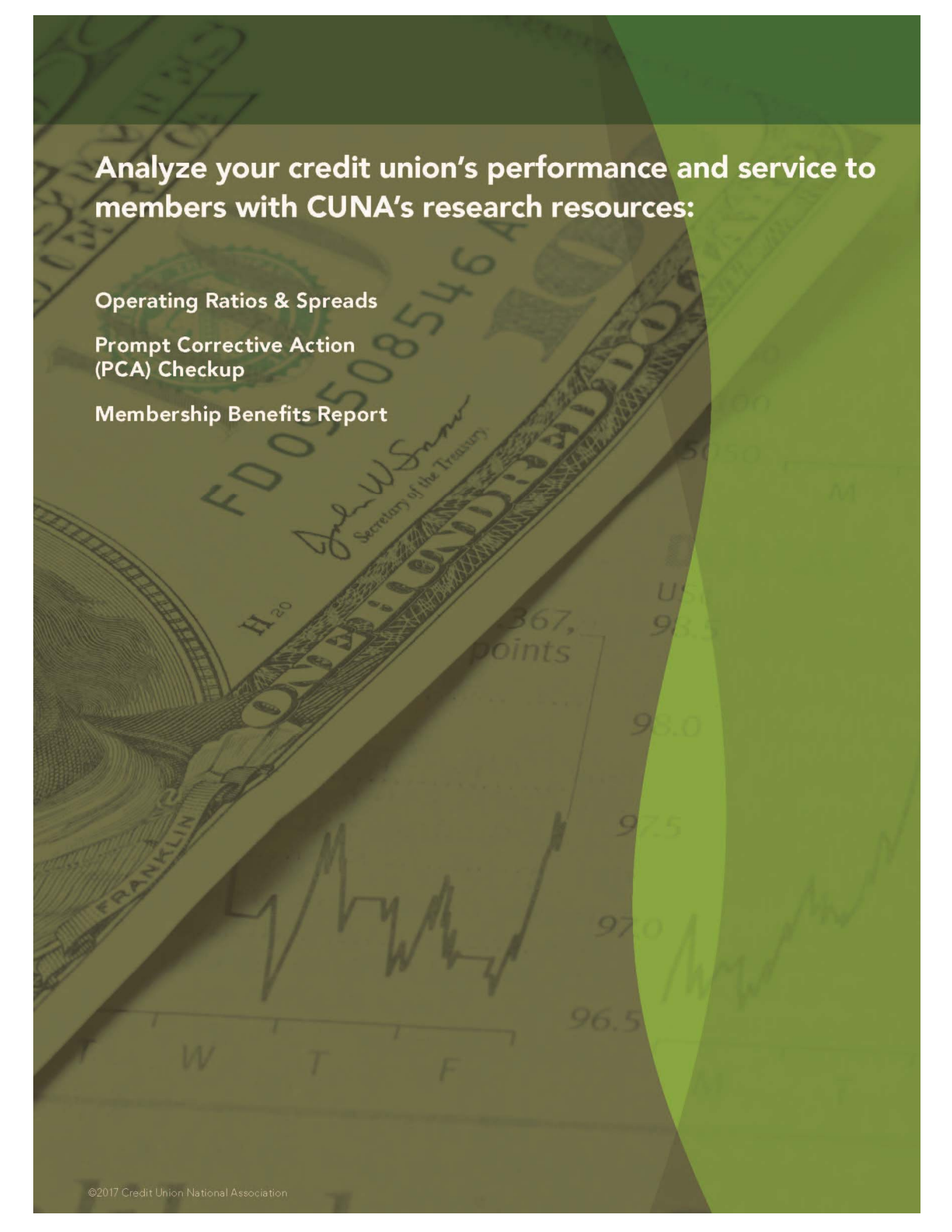
Membership Benefits Report

CUNA Economics and Statistics

West Virginia Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	155	158
Total assets (\$ mil)	3,667	3,646
Total loans (\$ mil)	2,232	2,145
Total surplus funds (\$ mil)	1,277	1,348
Total savings (\$ mil)	3,161	3,140
Total members (thousands)	380	380
Growth Rates (Trailing 12 months) *		
Total assets	1.0 %	4.0 %
Total loans	4.4 %	5.1 %
Total surplus funds	-4.8 %	2.6 %
Total savings	1.2 %	3.5 %
Total members	0.8 %	-0.2 %
Earnings - Basis Pts. *		
Yield on total assets	353	326
Dividend / interest cost of assets	46	41
Fee & other income	117	105
Operating expense	325	312
Loss Provisions	26	28
Net Income (ROA) after stabilization exp	72	49
Capital Adequacy		
Net worth / assets	12.8	12.2
Asset Quality *		
Delinquencies / loans	1.2	1.0
Net chargeoffs / average loans	0.3	0.4
Total borrower-bankruptcies	4	4
Bankruptcies per 1000 members	0.9	0.8
Asset/Liability Management		
Loans / savings	70.6	68.3
Loans / assets	60.9	58.8
Long-term assets / assets	27.4	26.9
Core deposits/shares & borrowings	71.1	69.5
Productivity		
Members / potential members	8.8	7.7
Borrowers / members	44.1	44.2
Members / FTE	376	371
Average shares / members (\$)	8,316	8,267
Average loan balances (\$)	13,324	12,777
Salary & Benefits / FTE	58,446	55,702

* 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