

CUNA Rhode Island
**MEMBERSHIP BENEFITS
REPORT**

Rhode Island

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 Rhode Island credit unions provided \$27,076,122 in direct financial benefits to the state's 478,651 members during the twelve months ending June 2023.

These benefits are equivalent to \$57 per member or \$119 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 Rhode Island 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 Rhode Island credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Rhode Island credit union will save members an average \$10 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.

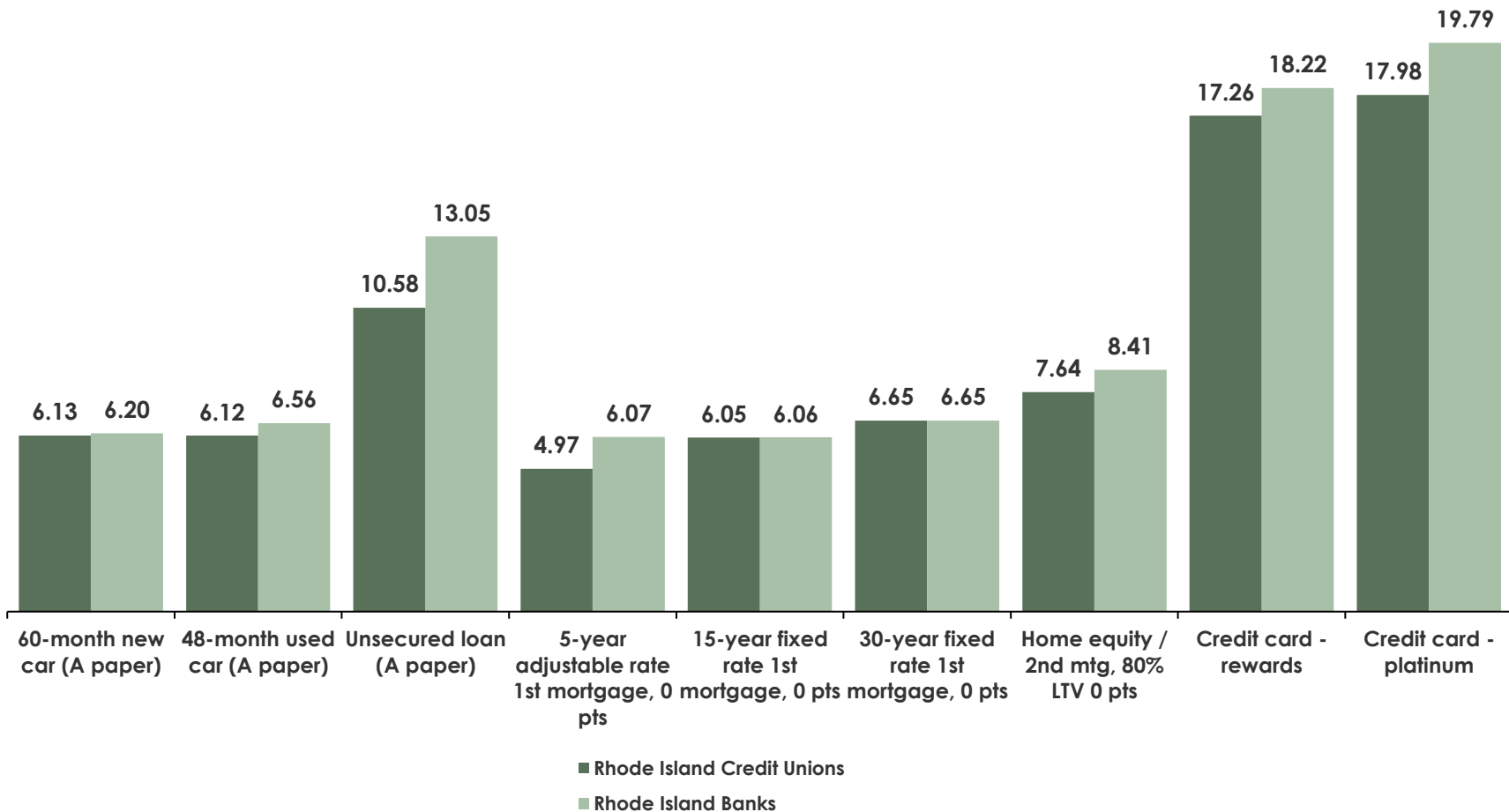
Rhode Island credit unions excel in providing member benefits on many loan and savings products. In particular, Rhode Island credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable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

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



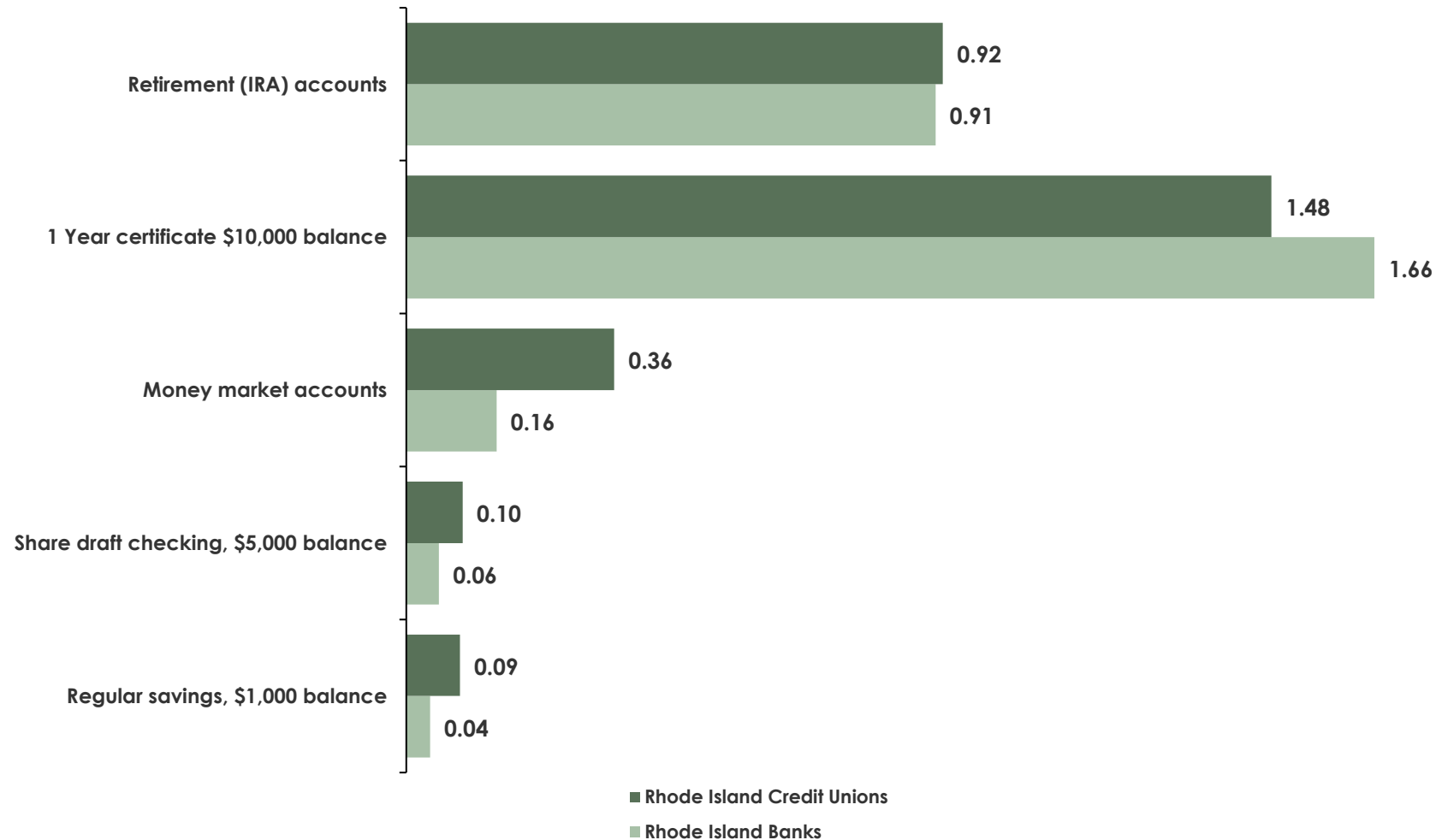
Loan Product Comparative Interest Rates (%)

by Loan Type



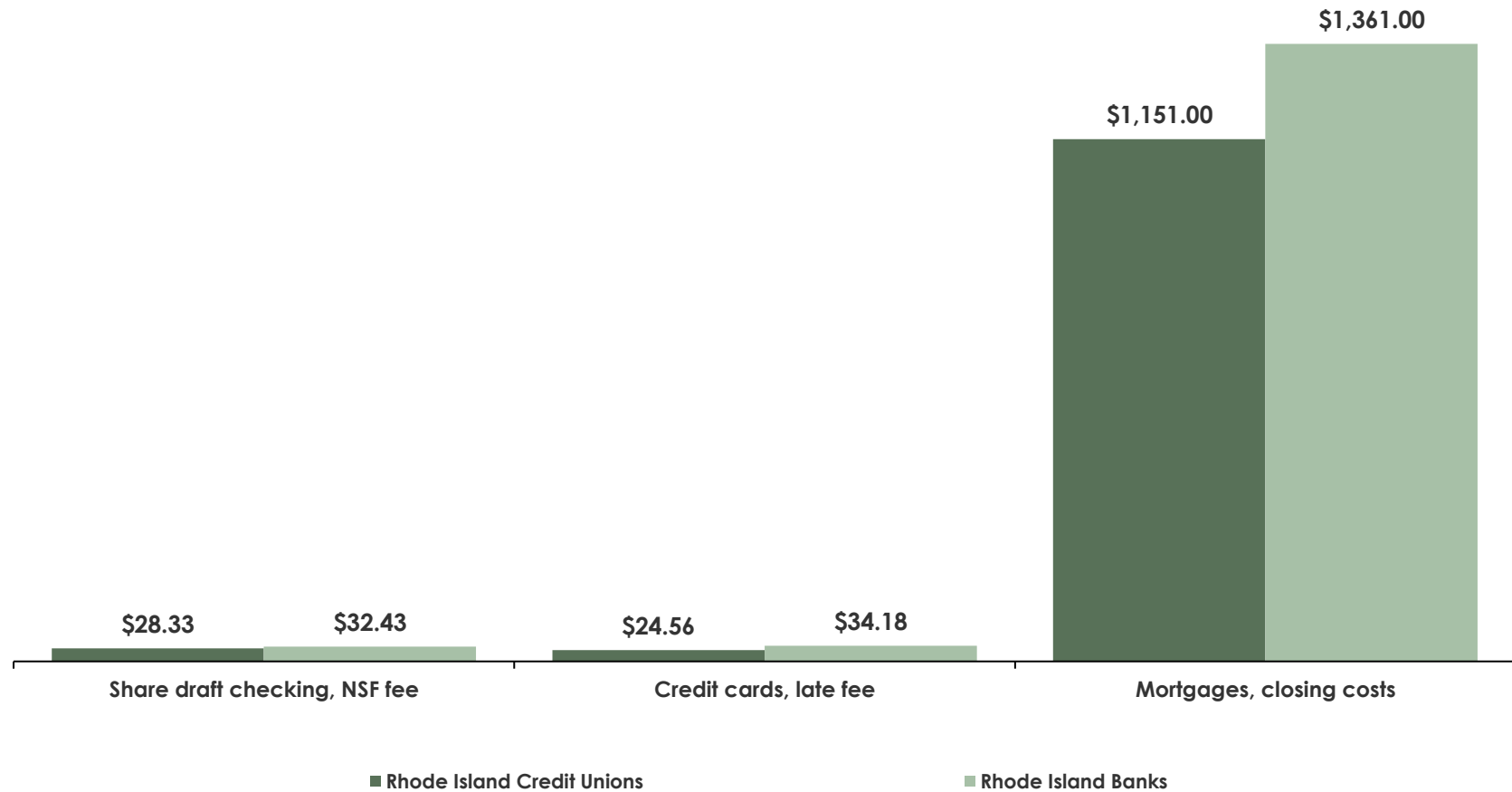
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



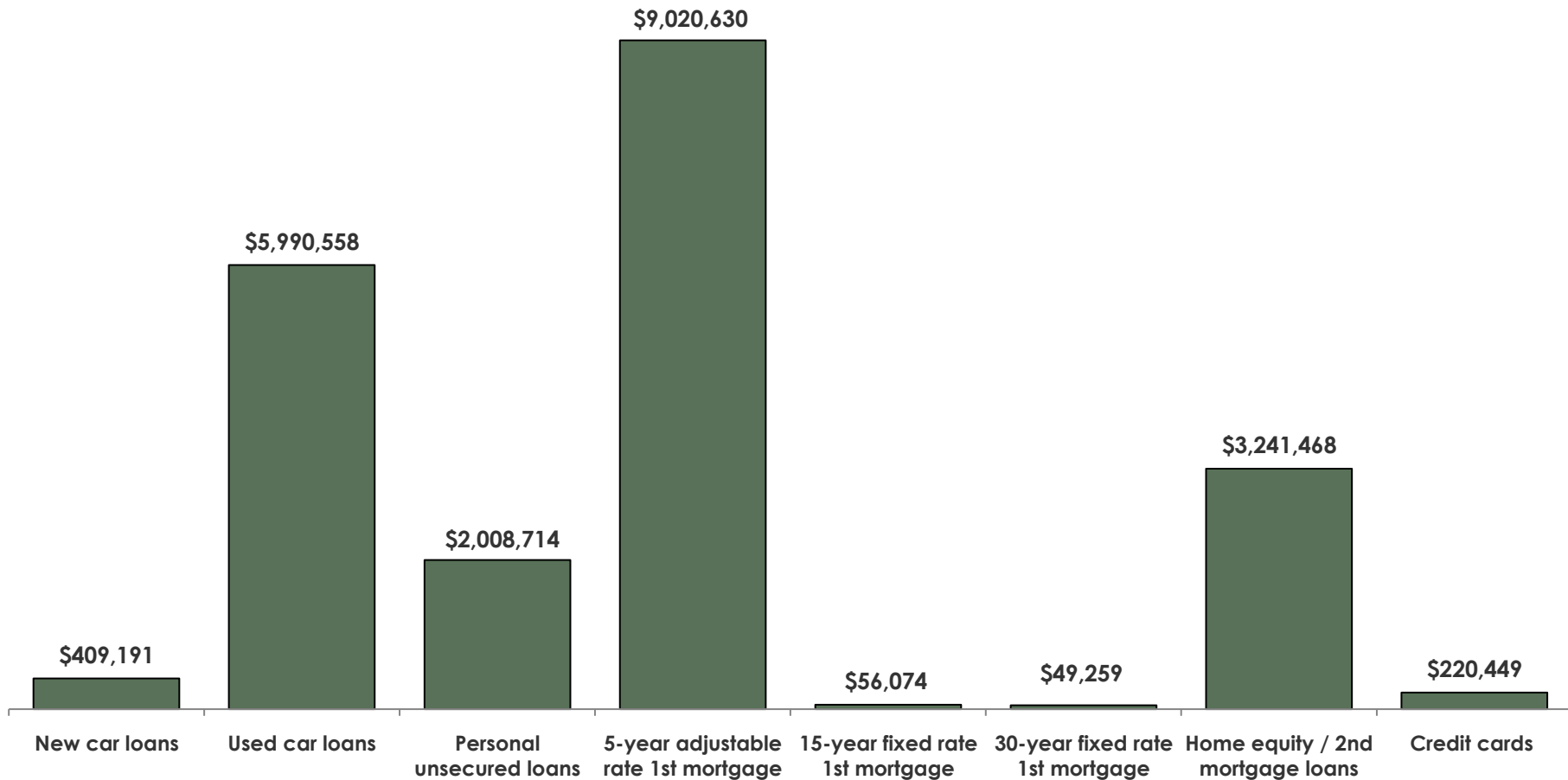
Rhode Island Credit Union and Banking Institution June 2023 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	6.13	6.20	-0.07
48-month used car (A paper)	6.12	6.56	-0.44
Unsecured loan (A paper)	10.58	13.05	-2.48
5-year adjustable rate 1st mortgage, 0 pts	4.97	6.07	-1.10
15-year fixed rate 1st mortgage, 0 pts	6.05	6.06	-0.01
30-year fixed rate 1st mortgage, 0 pts	6.65	6.65	0.00
Home equity / 2nd mtg, 80% LTV 0 pts	7.64	8.41	-0.78
Credit card - rewards	17.26	18.22	-0.96
Credit card - platinum	17.98	19.79	-1.81
Savings Products			
Regular savings, \$1,000 balance	0.09	0.04	0.05
Share draft checking, \$5,000 balance	0.10	0.06	0.04
Money market accounts	0.36	0.16	0.20
1 Year certificate \$10,000 balance	1.48	1.66	-0.18
Retirement (IRA) accounts	0.92	0.91	0.01
Fee Income			
Share draft checking, NSF fee	\$28.33	\$32.43	-\$4.10
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

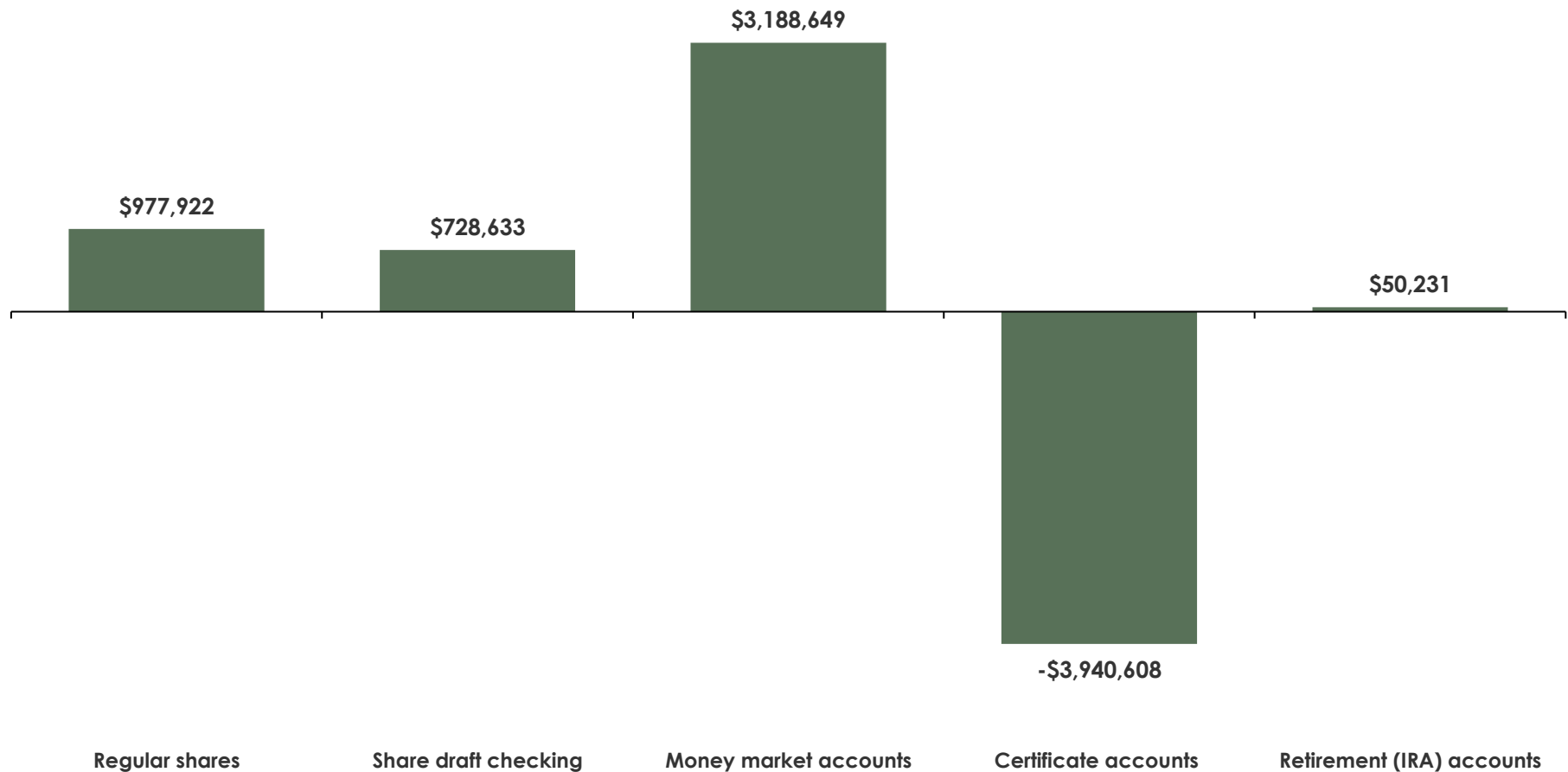
Estimated Credit Union Loan Benefits

Compared to State Banking Institutions
by Loan Type



Estimated Credit Union Savings Dividend Benefits

Compared to State Banking Institutions by Account Type



Membership Benefits Report

CUNA Economics and Statistics

Estimated Financial Benefits for Rhode Island Credit Unions June 2023

	Avg. Balance at Credit Unions (1)	Rate Difference vs. Rhode Island Banks (%) (2)	Total Financial Benefit to Your Members
Loans			
New car loans	560,535,096	-0.07	\$409,191
Used car loans	1,377,139,852	-0.44	\$5,990,558
Personal unsecured loans	81,160,168	-2.48	\$2,008,714
5-year adjustable rate 1st mortgage	820,057,237	-1.10	\$9,020,630
15-year fixed rate 1st mortgage	801,052,857	-0.01	\$56,074
30-year fixed rate 1st mortgage	2,462,951,376	0.00	\$49,259
Home equity / 2nd mortgage loans	417,714,955	-0.78	\$3,241,468
Credit cards	18,813,646	-0.96	\$220,449
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$20,996,342
Savings			
Regular shares	1,917,494,681	0.05	\$977,922
Share draft checking	1,777,153,310	0.04	\$728,633
Money market accounts	1,586,392,671	0.20	\$3,188,649
Certificate accounts	2,238,981,932	-0.18	-\$3,940,608
Retirement (IRA) accounts	401,847,417	0.01	\$50,231
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$1,004,827
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$5,074,952
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$27,076,122
Total CU member benefit / member:			\$57
Total CU member benefit / member household:			\$119

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of June 2023 and June 2022, according to the NCUA call report.; (2) Source for rates: Datatrac;

Membership Benefits Report

CUNA Economics and Statistics

Rhode Island Credit Union Performance Profile

Demographic Information	Jun 23	Jun 22
Number of branches	78	77
Total assets (\$ mil)	10,004	9,330
Total loans (\$ mil)	8,310	7,527
Total surplus funds (\$ mil)	1,402	1,513
Total savings (\$ mil)	8,219	7,875
Total members (thousands)	485	480
Growth Rates (Trailing 12 months) *		
Total assets	7.4 %	9.6 %
Total loans	10.5 %	14.2 %
Total surplus funds	-6.8 %	-9.0 %
Total savings	4.6 %	8.1 %
Total members	1.7 %	3.8 %
Earnings - Basis Pts. *		
Yield on total assets	381	305
Dividend / interest cost of assets	147	39
Fee & other income	61	59
Operating expense	228	225
Loss Provisions	13	7
Net Income (ROA) after stabilization exp	54	93
Capital Adequacy		
Net worth / assets	10.0	10.1
Asset Quality *		
Delinquencies / loans	0.3	0.2
Net chargeoffs / average loans	0.1	0.1
Total borrower-bankruptcies		
Bankruptcies per 1000 members		
Asset/Liability Management		
Loans / savings	101.1	95.6
Loans / assets	83.1	80.7
Long-term assets / assets	50.2	53.2
Core deposits/shares & borrowings	42.2	47.7
Productivity		
Members / potential members	11.7	10.9
Borrowers / members	45.4	44.8
Members / FTE	421	418
Average shares / members (\$)	16,939	16,417
Average loan balances (\$)	37,716	35,065
Salary & Benefits / FTE	103,013	92,107

* 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