ECONOMIC OUTLOOK FROM IDAHO'S CREDIT UNIONS

Todd Erickson, Vice Chair, Idaho Credit Union League
President/CEO, CapEd Credit Union

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Credit Union Association
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Todd Erickson

Vice Chair, Idaho Credit Union League
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CREDIT UNIONS

GOOD FOR PEOPLE AND COMMUNITIES

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Member-Owned, Not-for-Profit Cooperatives

Exist solely to meet the financial needs of members

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DIRECT BENEFITS TO MEMBERS

- Lower Account Fees
- Lower Loan Rates
- Higher Returns on Savings and Checking Accounts

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DEPARTMENT OF FINANCE
IMPACT ON IDAHO FINANCIAL INSTITUTIONS

- State Charters
- Regulators
- Competitive Balance

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CREDIT UNIONS IN IDAHO

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CREDIT UNIONS IN IDAHO

35
CREDIT UNIONS

917,400
MEMBERS

$8.5
BILLION IN ASSETS

Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho

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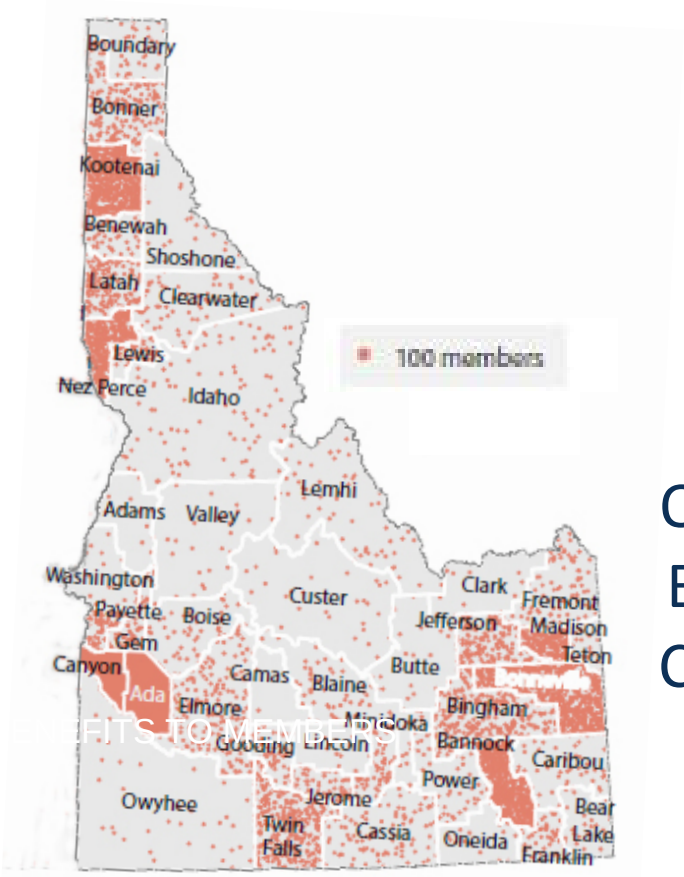
IDAHO MEMBERS



55%

OF IDAHOANS BELONG TO A CREDIT UNION

Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho

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PEOPLE HELPING PEOPLE

THE MODEL

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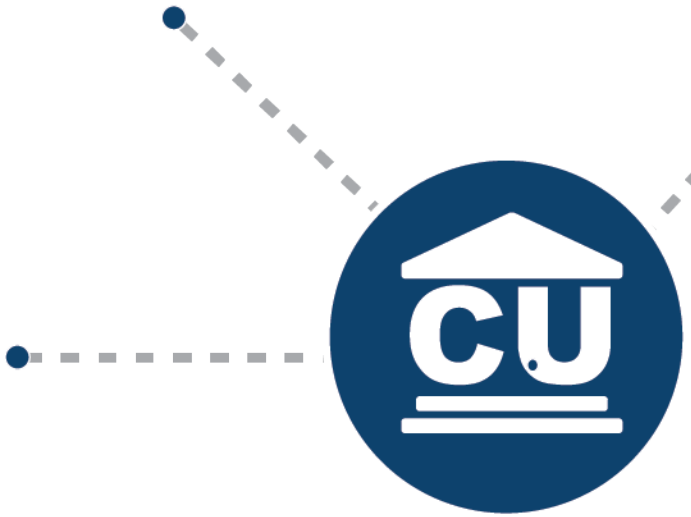
COOPERATIVE MODEL IS BUILT ON PEOPLE HELPING PEOPLE

CHARITIES AND CAUSES

VOLUNTEERING



GRANTS AND SCHOLARSHIPS

COMMUNITY SUPPORT

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THE IMPACT ON IDAHO

!

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THE IMPACT ON EMPLOYMENT

2,520
DIRECT JOBS

$147
MILLION IN SALARIES

5,440
TOTAL JOBS

$274
MILLION TOTAL INCOME

** Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho*

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THE FISCAL IMPACT ON IDAHO'S ECONOMY

$283
MILLION IN DIRECT SPENDING

$638
MILLION IN TOTAL SPENDING

$90
MILLION IN DIRECT BENEFITS

$186
BACK TO EACH HOUSEHOLD

** Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho*

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THE RURAL LIFELINE

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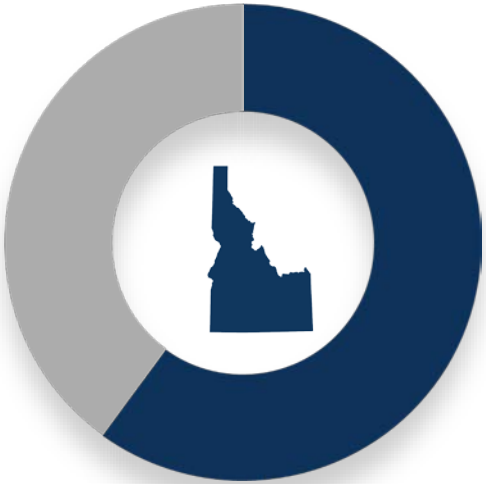
153,000 RURAL IDAHOANS ARE CREDIT UNION MEMBERS



44%

OF THE RURAL POPULATION

Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho

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INDUSTRY-SPECIFIC ANSWERS

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ECONOMIC IMPACT

4.6%

OF STATE GDP IS FINANCE & INSURANCE

$638

MILLION IN ECONOMIC IMPACT FROM CREDIT UNIONS

2%

OF STATE GDP IS FINANCIAL SERVICES

Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho

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GROWTH FORECAST

CURRENT YEAR

14.5%

ASSET GROWTH YEAR-OVER-YEAR

$8.5

BILLION IN ASSETS IN CREDIT UNIONS

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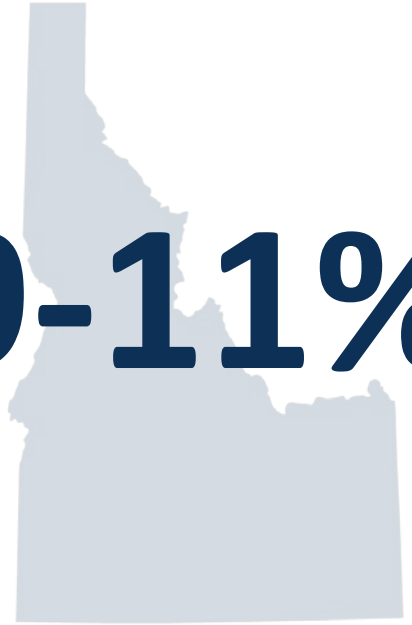
GROWTH FORECAST

UPCOMING FISCAL YEAR



9-11%

Fueled by:

- **Lending**
- **Rising asset values**
- **Wage increases**
- **Tax Reform**

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CURRENT STATE OF INDUSTRY

STRONG

9.44%

NET WORTH RATIO

(7% Considered well-capitalized)

55%

OF IDAHO'S POPULATION BELONGS TO A CREDIT UNION

Source: NCUA Financial Performance Reports, Sept, 2016-Sept, 2017
Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho

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CURRENT STATE OF INDUSTRY

STRONG

$7.1
BILLION LOANED
(+$1 BILLION)

917,400
MEMBERS
(+69,796)

$8.5
BILLION IN ASSETS IN CREDIT UNIONS
(UP $1.1 BILLION)

Source: NCUA Financial Performance Reports, Sept, 2016-Sept, 2017
Source: ECONorthwest Report – 2017 Economic Impacts of Credit Unions in Idaho

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CREDIT UNIONS PAY TAXES

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POSITIVE

IMPACT ON OTHER IDAHO BUSINESSES

$2.6

BILLION
REAL ESTATE
LENDING

$516

MILLION
BUSINESS
LENDING

$3.1

BILLION
AUTO
LENDING

**NCUA Financial Performance Report combined with ASI report, Sept, 2017*

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POSITIVE

IMPACT ON OUR COMMUNITIES

FINANCIAL
EDUCATION OFFERED
FREE TO SCHOOLS

Credit Unions for Kids®
Children's Miracle Network Hospitals

$199,353
RAISED FOR CMN
HOSPITALS
LAST YEAR

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NO CREDIT UNIONS KNOWN TO BE LEAVING / EXPANDING

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THANK YOU

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GENERAL ECONOMY QUESTIONS

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CONSOLIDATION AND IMPACT

SIMILAR TRENDS ACROSS INDUSTRY

DECEMBER 2016

35

CREDIT UNIONS PROTECTED $7.5 BILLION IN ASSETS

SEPTEMBER 2017

35

CREDIT UNIONS PROTECTED $8.5 BILLION IN ASSETS

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HOW WILL THE IDAHO ECONOMY PERFORM?

WHAT IMPACT WILL IT HAVE ON TAX REVENUES?

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HOW WILL THE NATIONAL ECONOMY PERFORM?

HOW WILL THIS AFFECT IDAHO?

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WHAT AREAS OF THE ECONOMY WILL BE STRONG?

WHICH AREAS WILL BE WEAK?

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AT WHAT RATE DO YOU EXPECT THE POPULATION OF IDAHO TO GROW OVER THE NEXT 18 MONTHS?

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WHAT ARE THE IMPACTS OF U.S. TRADE AND BUDGET DEFICITS ON THE ECONOMY?

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HOW IS IDAHO FARING COMPARED TO OTHER STATES?

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WHAT ROLE DO CAPITAL MARKETS HAVE IN PREDICTING THE STATE'S ECONOMY?

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THANK YOU

Todd Erickson, Vice Chair, Idaho Credit Union League
President/CEO, CapEd Credit Union

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