

# FINANCIAL QUARTERLY: CREDIT UNIONS

Contact Executive Editor Mark Meltzer at [mmeltzer@bizjournals.com](mailto:mmeltzer@bizjournals.com)

## Credit unions keep on growing

BY TONYA LAYMAN  
Contributing Writer

Georgia's credit unions continue to grow both in terms of the number of members they serve and the dollar value of assets they hold, according to the industry group **Georgia Credit Union Affiliates**.

As of Dec. 31, 2013, Georgia credit unions had total assets of \$19.02 billion, up 2.96 percent from 2012. Membership across the state grew by 43,067 to 1.98 million, an increase of 2.2 percent.

Credit union executives say this growth comes from a better understanding by the public as to what credit unions offer and a desire by consumers to be smarter with their money.

The largest credit union in the state, **Delta Community Credit Union**, soon will hit 300,000 members, and it continues to grow.

"We have experienced tremendous growth over the past several years," said **Hank Halter**, CEO of Delta Community Credit Union. "Since 2008, we have seen annual growth ranging from 6.5 percent to over 12 percent. Last year our growth was approximately 8 percent in terms of net new members and this year we are on a trajectory to hit a similar number."

Since 2005, when the institution became a "true community" credit union and began its expansion plans that today account for 26 branches covering an 11-county area, the staff has put a larger emphasis on educating the members on what the credit union offers, Halter said.

"Years ago, people may have known that the credit union offered a checking account, savings account and maybe a credit card or low interest rate loans," he said. "Today, there is better understanding that we offer a wide selection of products and services from online and mobile banking, a large network of ATMs and a variety of lending including commercial loans. We are insured just like the banks but we are member-owned. We offer higher dividends and lower interest rates and no or low service fees and our profits go back to our members."

Halter said the staff takes the time to get to know the members and introduce them to products that may be beneficial. He believes this interaction is appreciated by the members.

"I think a big driver in why we have picked up members over the years is that our customer satisfaction ratings are two to three times higher than ratings at traditional banks," Halter said. "The



value the credit union brings continues to be noticed and recognized by individuals who previously transacted only with banks."

Still, credit unions only hold about 10 percent of overall investments and remain relatively small compared with banks.

"Our challenge is getting the message

out as to what we offer but that is also at the same time our greatest opportunity," Halter said.

Delta Community Credit Union holds about \$4.6 billion in assets. That is up from 2013 year-end asset totals of \$4.5 billion.

**Kabir Laiwalla**, CEO of **Platinum Federal Credit Union**, said his institution

added 200 new members in the first quarter of this year and has had an average percentage of growth of 8 percent year-over-year since 2008.

"With 52 banks closing down in Georgia in recent years, that made consumers lose confidence in banks, and that gave credit unions a boost," he said.

Assets at Platinum have grown to \$57 million, which is up from last year's assets of \$50 million.

Much of that growth has come from new business accounts.

"Businesses are looking for a new financial home as well and we serve a lot of entrepreneurs and small businesses and we are seeing tremendous growth in that area," he said. "Hopefully we can sustain that growth and better understand the business market because a lot of future growth can come from that segment."

**Kelly Garmon**, chief marketing officer at Georgia's Own Credit Union, said Georgia's Own had net growth of 30,000 members since 2009, from 148,000 to 178,000, and it continues to grow organically by bringing in about 1,700 new members every month.

She believes her credit union is catering to a younger audience.

### 138

Credit unions in Georgia

### 1.9 Million

Members in Georgia

### \$19 Billion

Georgia credit union assets

### \$120 million

Saved by Georgia credit union members last year

SOURCE: GEORGIA CREDIT UNION AFFILIATES

"The average age of our member is 45, although recent patterns are trending younger – in fact, about 60 percent of all new growth is members 40 or younger," she said. The credit union's assets have climbed from \$1.5 billion to almost \$1.8 billion in five years. It has grown in almost every key area, especially loans, and it has expanded its reach, digitally and through its branch network, with 23 locations.

During the downturn, the credit union took a more member-centric focus and helped people refinance debts with lower interest rates and worked to ensure the members could stay afloat financially.

Georgia's Own ramped up financial counseling and financial literacy offerings.

"We turned our collections department into member solutions and we worked with the members to help them work through their financial problems. We took a holistic, consultative approach to ensure they were in a better position to make their payments," Garmon said.