

CUNA Tropical Financial CU

# MEMBERSHIP BENEFITS REPORT

## Tropical Financial CU

### *The Benefits of Membership*

Credit unions generally provide financial benefits to members through lower loan rates, higher savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Tropical Financial CU provided \$4,511,087 in direct financial benefits to its 68,670 members during the twelve months ending December 2022 <sup>(1)</sup>.

**These benefits are equivalent to \$66 per member or \$138 per member household <sup>(2)</sup>.**

The per-member and per-household member benefits delivered by Tropical Financial CU are substantial. But, these benefits are reported as *averages*. Mathematically, that means the total benefits you provide are divided across all members (or all member households) - even those who conduct very little financial business with the credit union.

For example, financing a \$30,000 new automobile for 60 months at Tropical Financial CU will save members an average -\$34 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately -\$170 in savings over 5 years.

Further, loyal members<sup>(3)</sup> - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

CUNA estimates that Tropical Financial CU provided loyal high-use member households \$920 in direct financial benefits during the twelve month period.

Tropical Financial CU excels in providing member benefits in many loan and savings products. In particular, Tropical Financial CU offers lower loan rates on the following accounts: personal unsecured loans, home equity loans, credit cards loans.

Tropical Financial CU also pays its members higher dividends on the following accounts: money market accounts, certificate accounts, IRAs.



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(1) Rates and fees as of 4/4/2023.

(2) Assumes 2.1 credit union members per household.

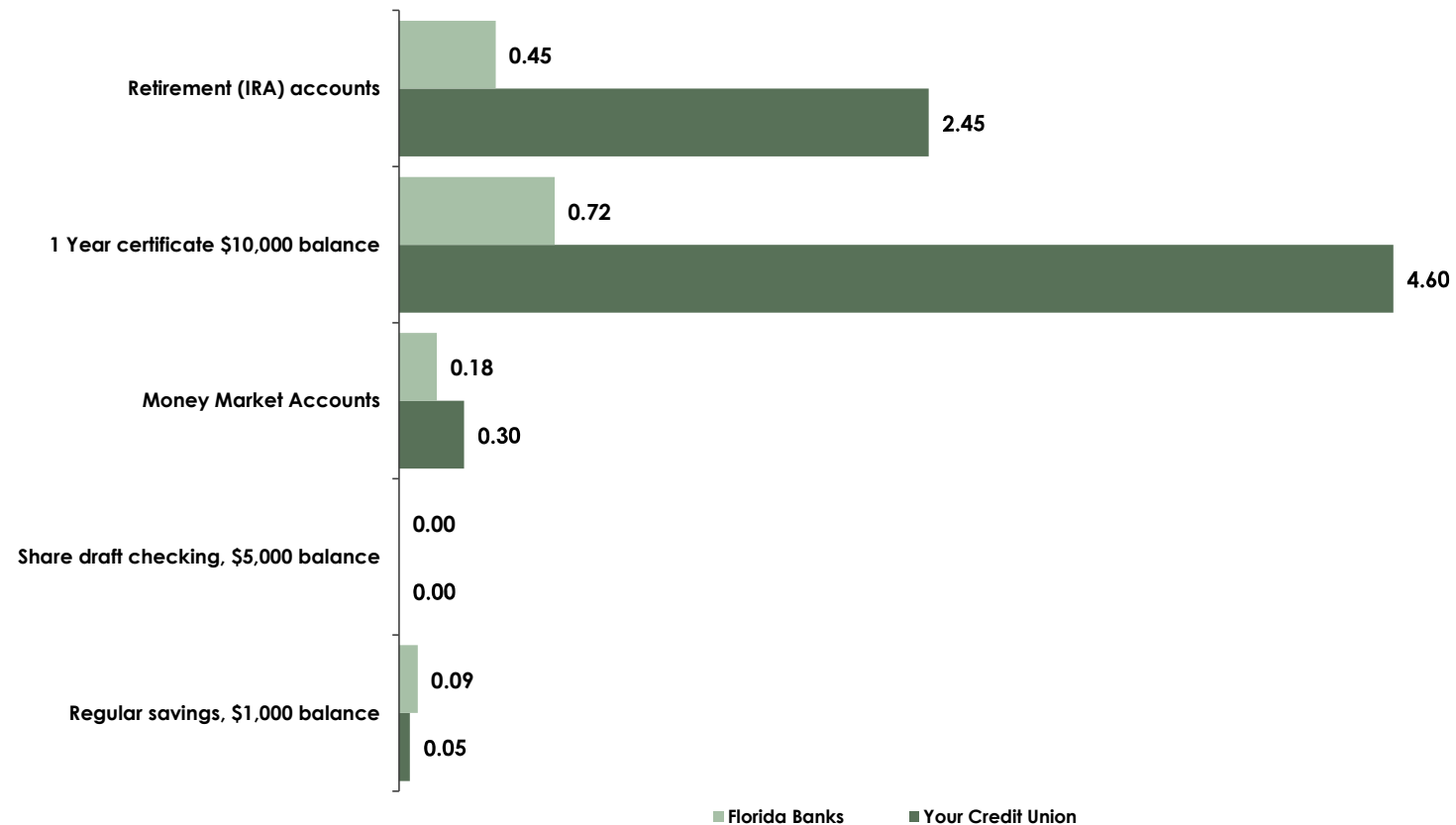
(3) A "loyal member" is assumed to have a \$30,000, 60-month new auto loan, a classic credit card with an average balance of \$5,000, a \$200,000, 30-year fixed rate mortgage (a 30-year fixed rate mortgage is replaced with a 5-year adjustable rate mortgage if it yields a greater benefit as it is assumed more in demand), \$5,000 in an interest-bearing checking account, \$10,000 in a one-year certificate account, and \$2,500 in a money market account.

# Membership Benefits Report

CUNA Economics and Statistics

## Savings Product Comparative Interest Rates (%)

### by Savings Account Type

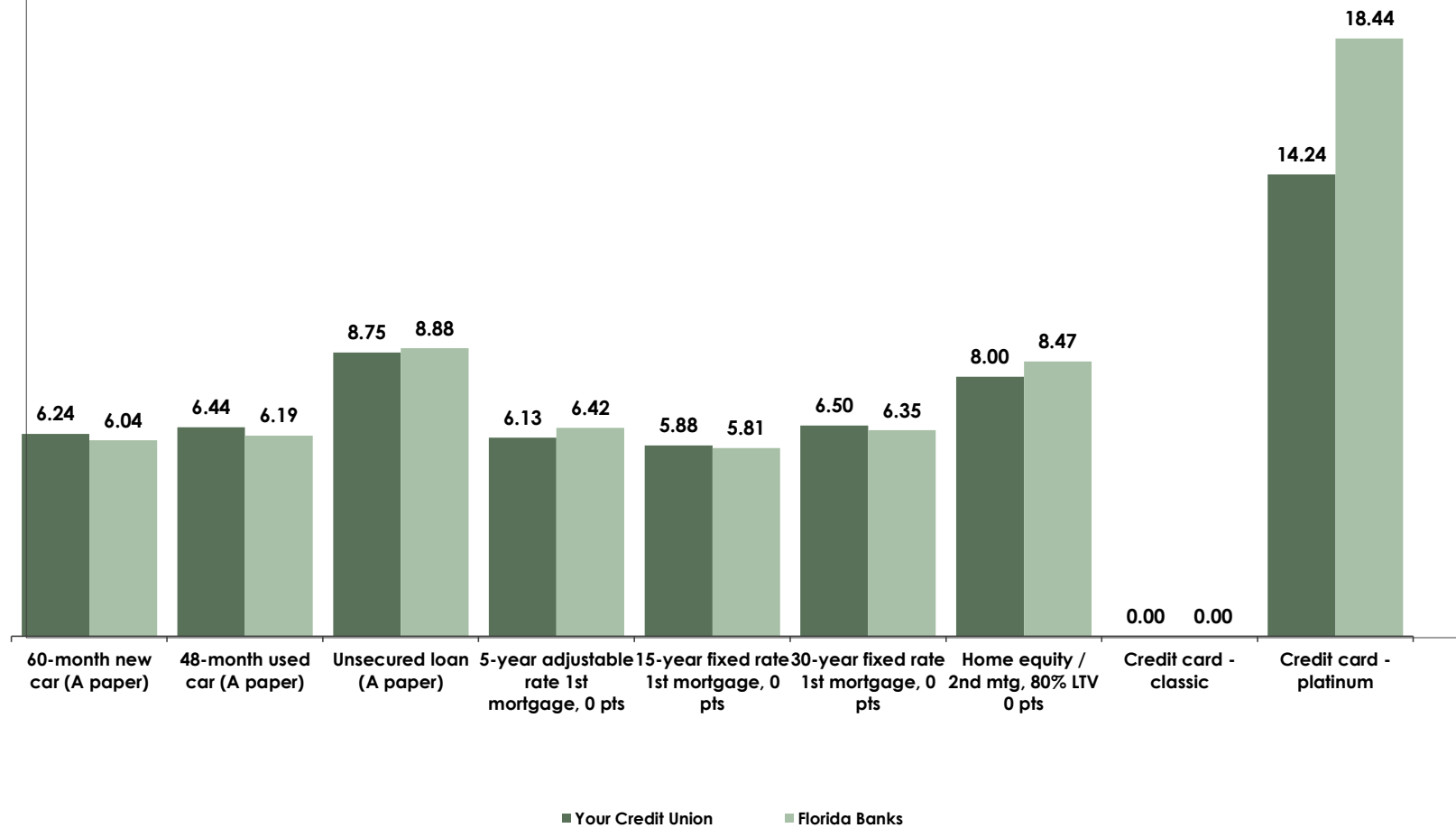


# Membership Benefits Report

CUNA Economics and Statistics

## Loan Product Comparative Interest Rates (%)

by Loan Type

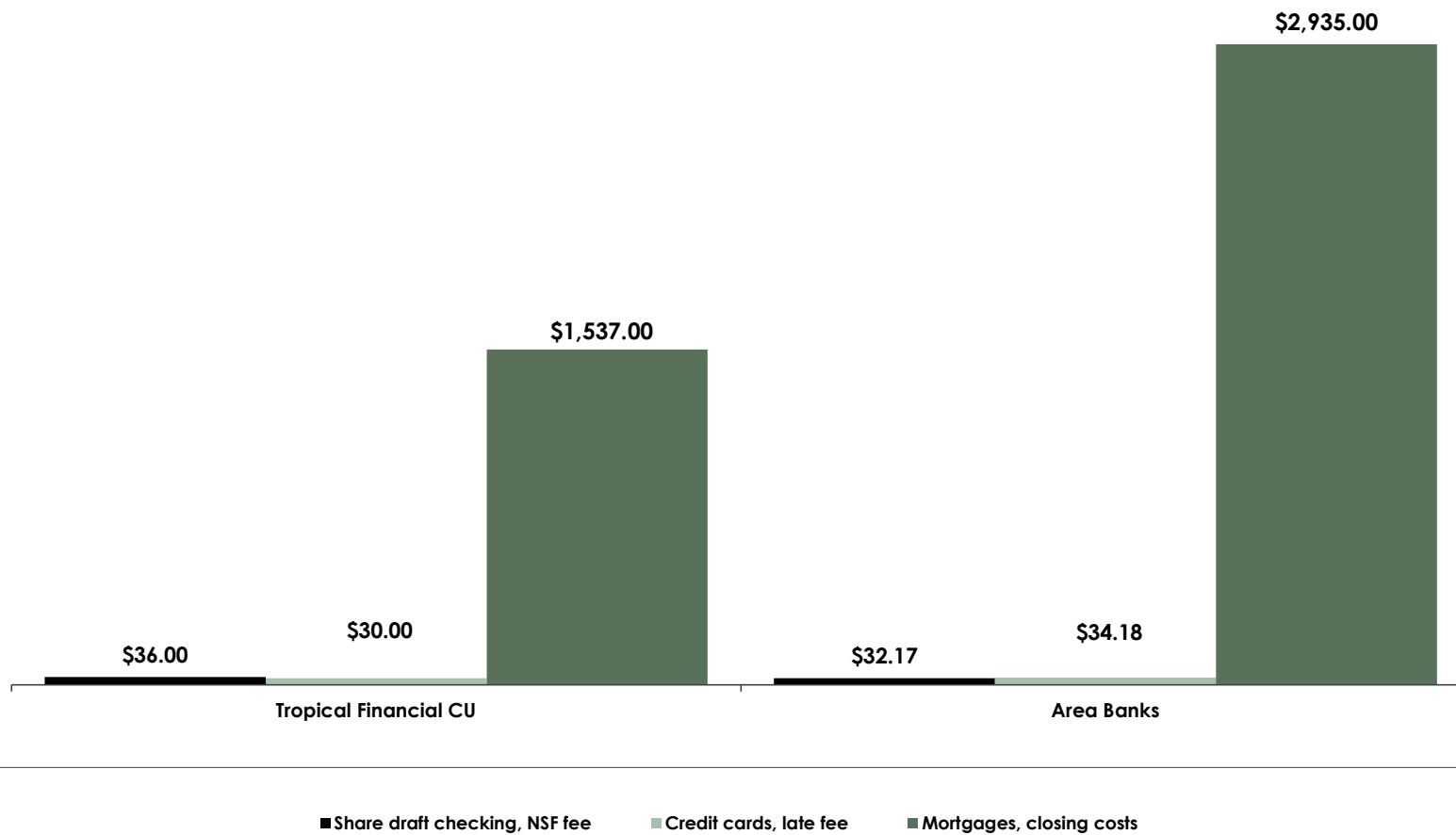


# Membership Benefits Report

CUNA Economics and Statistics

## Comparative Fees

by Type



# Membership Benefits Report

CUNA Economics and Statistics

## Interest Rates at Tropical Financial CU and Banking Institutions in Florida

Loan Products	Rate at your Credit Union (%) *	Average Rate at Banks (%) *	Rate Difference vs. Banks (%)
60-month new car (A paper)	6.24	6.04	0.20
48-month used car (A paper)	6.44	6.19	0.25
Unsecured loan (A paper)	8.75	8.88	-0.13
5-year adjustable rate 1st mortgage, 0 pts	6.13	6.42	-0.30
15-year fixed rate 1st mortgage, 0 pts	5.88	5.81	0.07
30-year fixed rate 1st mortgage, 0 pts	6.50	6.35	0.15
Home equity / 2nd mtg, 80% LTV 0 pts	8.00	8.47	-0.47
Credit card - classic	0.00	0.00	0.00
Credit card - platinum	14.24	18.44	-4.20
<b>Savings Products</b>			
Regular savings, \$1,000 balance	0.05	0.09	-0.04
Share draft checking, \$5,000 balance	0.00	0.00	0.00
Money Market Accounts	0.30	0.18	0.13
1 Year certificate \$10,000 balance	4.60	0.72	3.88
Retirement (IRA) accounts	2.45	0.45	2.00
<b>Fee Income</b>			
Share draft checking, NSF fee	\$36.00	\$32.17	\$3.83
Credit cards, late fee	\$30.00	\$34.18	-\$4.18
Mortgages, closing costs	\$1,537.00	\$2,935.00	-\$1,398.00

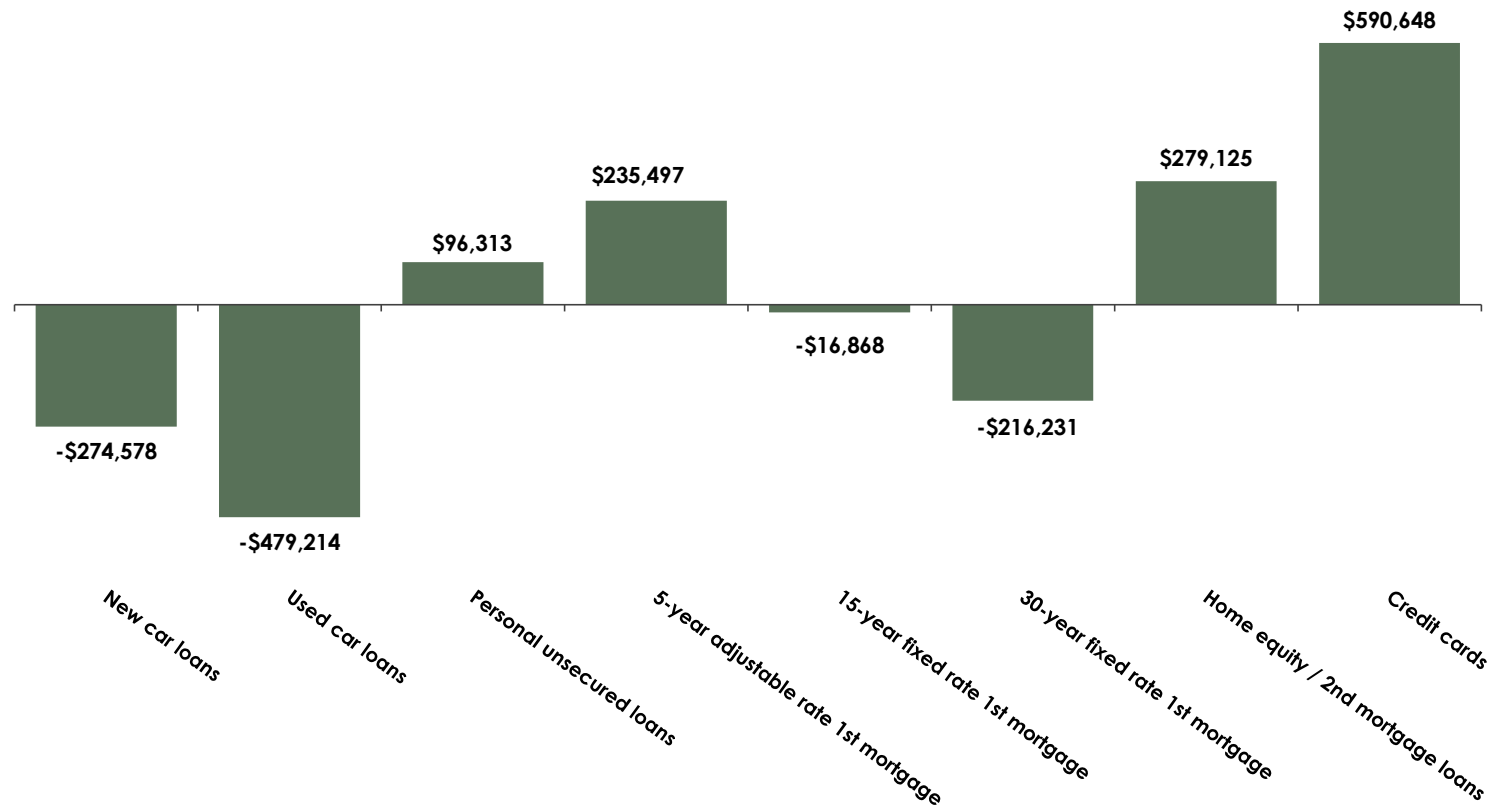
\*Rates and fees as of 4/4/2023. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# Membership Benefits Report

CUNA Economics and Statistics

## Your Credit Union's Total Loan Rate Benefits

by Loan Type

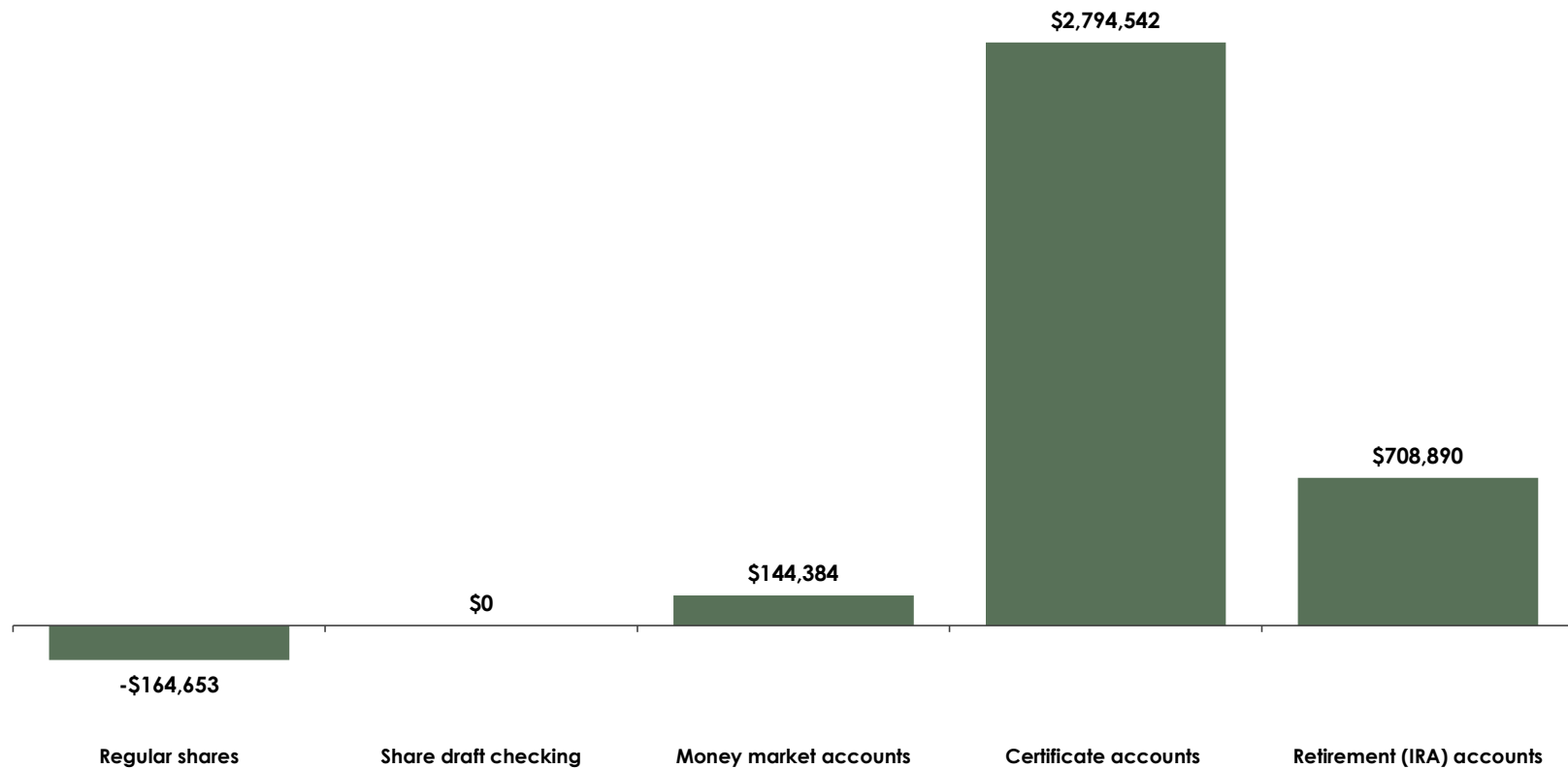


# Membership Benefits Report

CUNA Economics and Statistics

## Your Credit Union's Total Savings Dividend Benefits

Compared to Banking Institutions in Your State  
by Account Type

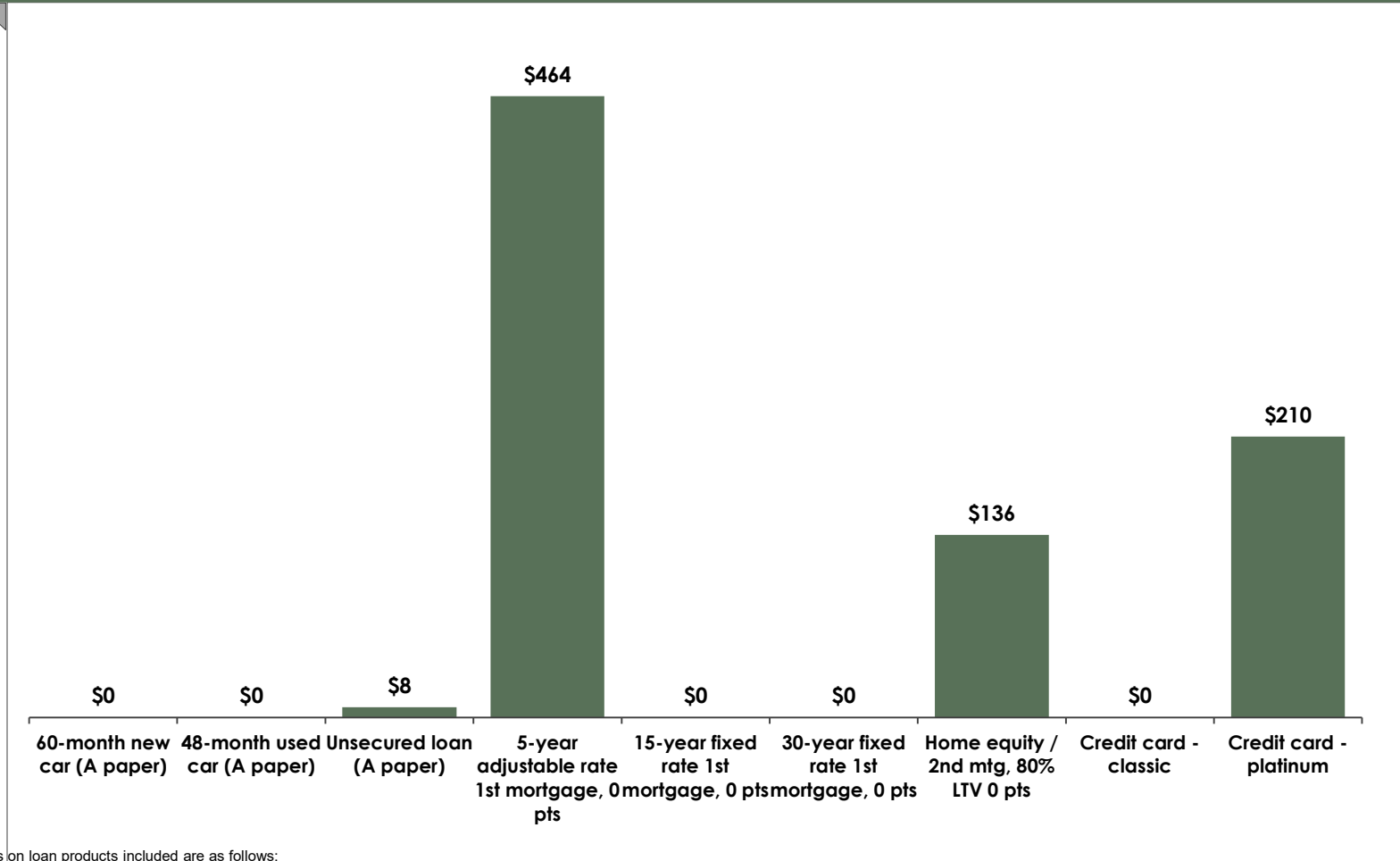




# Membership Benefits Report

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## Annual Member Benefit of Loan Products with Various Terms



Terms on loan products included are as follows:

New Car: \$30,000; Used Car: \$20,000; Unsecured Loan: \$10,000 (5 years)

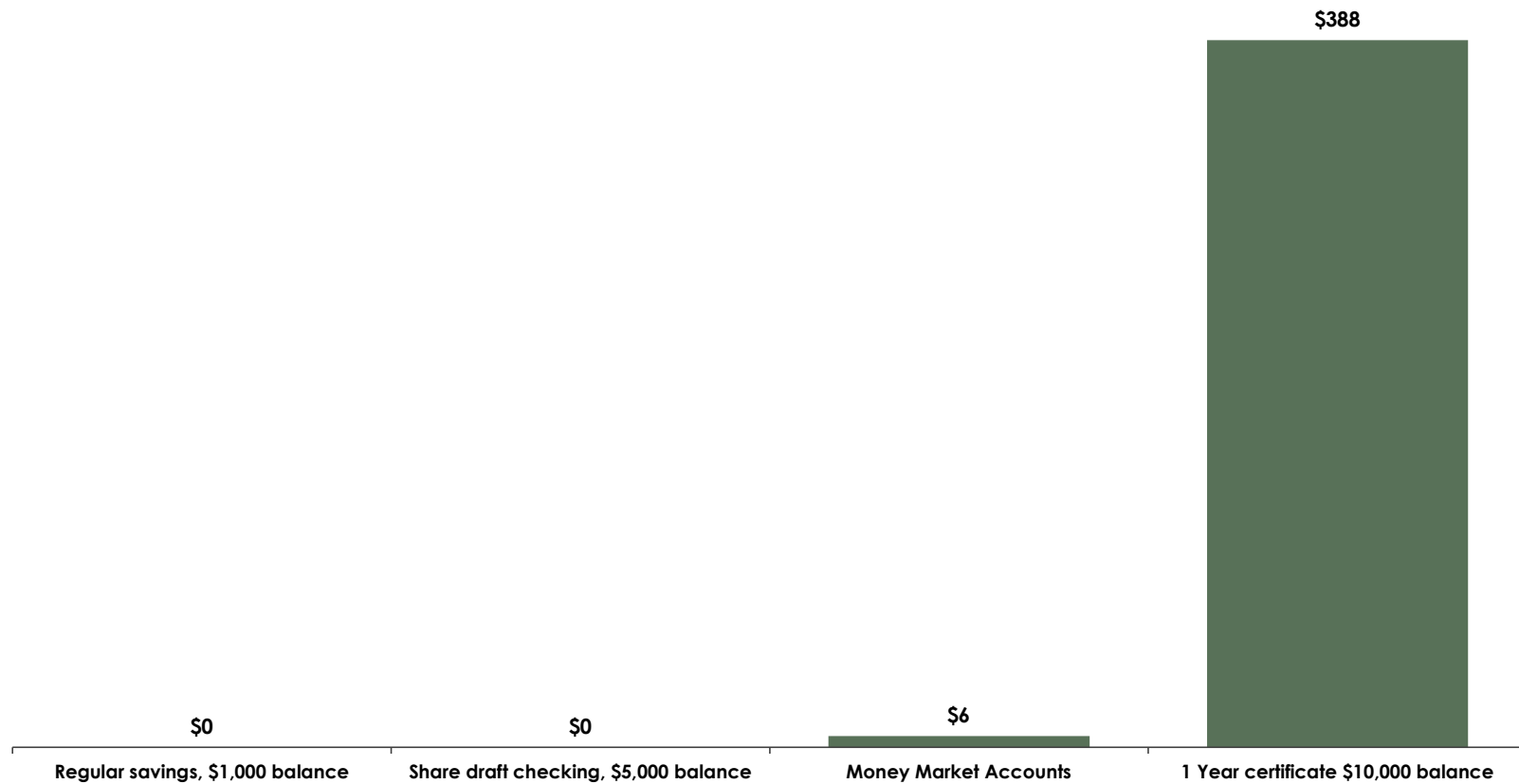
5 Year Adj: \$200,000; 15 Year Fixed: \$200,000; 30 Year Fixed: \$200,000

Home Equity: \$50,000; Classic Credit Card: \$10,000; Gold Credit Card: \$10,000

# Membership Benefits Report

*CUNA Economics and Statistics*

## Annual Member Benefit on Savings Products with Various Terms



# Membership Benefits Report

CUNA Economics and Statistics

## Estimated Financial Benefits for Tropical Financial CU

Loans	Avg. Balance at Your Credit Union (1)	Rate Difference vs. Florida Banks (%) (2)	Financial Benefit to Your Members
New car loans	135,929,623	0.20	-\$274,578
Used car loans	192,455,259	0.25	-\$479,214
Personal unsecured loans	73,521,678	-0.13	\$96,313
5-year adjustable rate 1st mortgage	79,291,962	-0.30	\$235,497
15-year fixed rate 1st mortgage	24,096,932	0.07	-\$16,868
30-year fixed rate 1st mortgage	145,121,393	0.15	-\$216,231
Home equity / 2nd mortgage loans	59,011,716	-0.47	\$279,125
Credit cards	14,076,451	0.00	\$590,648
Interest rebates			\$0
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			\$214,694
Savings			
Regular shares	457,370,605	-0.04	-\$164,653
Share draft checking	192,801,297	0.00	\$0
Money market accounts	115,507,449	0.13	\$144,384
Certificate accounts	72,005,727	3.88	\$2,794,542
Retirement (IRA) accounts	35,391,408	2.00	\$708,890
Bonus dividends in period			\$340,092
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			\$3,823,255
Fee Income			
<b>Total CU member benefit arising from fewer/lower fees:</b>			\$473,138
<b>Total CU member benefit arising from interest rates on loan and savings products and lower fees:</b>			\$4,511,087
<b>Total CU member benefit / member:</b>			\$66
<b>Total CU member benefit / member household:</b>			\$138

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2022 and December 2021 according to the NCUA call report.

(2) Rates and fees as of 4/4/2023. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

# *Certificate of Excellence*

*is hereby granted to:*

## **Tropical Financial CU**

*The Credit Union National Association has determined that Tropical Financial CU provided \$4,511,087 in direct financial benefits to its 68,670 members during the twelve months ending in December 2022. These benefits are equivalent to approximately \$138 per member household.*

*Tropical Financial CU provided loyal high-use member households \$920 in direct financial benefits.*

*Credit unions generally provide financial benefits to members by charging less for loans, paying more on deposits and charging fewer/lower fees compared to banking institutions.*



## Tropical Financial CU Performance Profile

Demographic Information	Dec 22	Dec 21
Number of branches	7	8
Total assets (\$ mil)	988	964
Total loans (\$ mil)	832	724
Total surplus funds (\$ mil)	121	215
Total savings (\$ mil)	886	870
Total members (thousands)	68	70
Growth Rates (Year-to-date)		
Total assets	2.5 %	9.8 %
Total loans	15.0 %	10.6 %
Total surplus funds	-43.5 %	8.6 %
Total savings	1.8 %	9.9 %
Total members	-2.7 %	5.4 %
Earnings - Basis Pts.		
Yield on total assets	361	310
- Dividend/interest cost of assets	14	14
+ Fee & other income	109	121
- Operating expense	352	334
- Loss Provisions	34	9
= Net Income (ROA)	70	74
Capital adequacy		
Net worth / assets	9.1	8.7
Asset quality		
Delinquencies / loans	0.4	0.2
Net chargeoffs / average loans	0.3	0.1
Total borrower-bankruptcies		38
Bankruptcies per 1000 members		0.5
Asset/Liability Management		
Loans / savings	93.9	83.1
Loans / assets	84.2	75.0
Long-term assets / assets	33.2	31.5
Core deposits/shares & borrowings	72.8	75.4
Productivity		
Members/potential members	1.0	1.1
Borrowers/members	56.6	52.8
Members/FTE	361	404
Average shares/members (\$)	13,080	12,500
Average loan balances (\$)	21,718	19,676
Salary & Benefits/FTE	90,622	87,862

# Membership Benefits Report

CUNA Economics and Statistics



Transform member benefits into new business with a **Member Benefit Marketing Toolkit**

The Credit Union National Association (CUNA) and Datatrac have teamed up to bring you the analysis in this report. Member Benefit Marketing Tools provides you with practical applications for using data in this report to show members how much you save them, drive in new members, generate more loans and attract bigger deposits.

**Member Benefit Marketing Tools** prove to new and existing members:

- How much you saved your entire membership last year in interest and fees compared to the competition
- How much they will save on their next loan with you
- How much more they will earn on their deposits with you

**Member Benefit Marketing Toolkits** include:

- Lead generation for loans, deposits and new members
- Competitive comparison widgets for your website
- Facebook app
- Animated graphics for branch lobby digital displays
- Proof Points for use in marketing collateral
- Award Certification & Trophy
- Press releases
- Newsletter copy
- Member handouts
- Subscription to the CUNA Member Benefits Report

Visit [www.datatrac.net/memberbenefits](http://www.datatrac.net/memberbenefits) to see live examples, schedule a demo and receive a free competitive analysis.

**NEW** Show members how much you save them.

Analysis as of May 4, 2017

ABC Financial CU members saved **\$10,734,590!**

**APPLY NOW**

Auto Loan

Jacksonville, Florida Metro 3.76% APR

ABC Financial 2.74% APR<sup>1</sup>

**up to 27% lower<sup>1</sup>**

Boat Loan

Share Certificate

**CUNA Membership Benefits Report**  
Datatrac widget links to your custom report

**Savings for your Entire Membership**  
Amount you saved your entire membership last year

**Savings by Product**  
Amount a member on their next deposit or loan with you

**CUNA Membership Benefits Report**  
Datatrac widget links to your custom report

**CUNA** Credit Union National Association

**DATATRAC** Loan and Deposit Generators

Show members how much you save them with **Member Benefits Marketing Tools**





## 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