

# THE BIG PICTURE: GET TO THE FUTURE FASTER



## INVESTING MORE IN MEMBER GROWTH VIA ONLINE CHANNELS

What would a cooperative do with a permanent tax cut and \$1 million to invest every year going forward?

- From Oct 1, 2018 – Sept 30, 2019, CU\*Answers will invest **\$0.50 per member** for all members who join the CU via a MOP site
  - A member who joins in October and stays for the rest of our fiscal year will earn the CU a credit of \$6.00
  - A member who joins in January and quits in April will still earn the CU a credit of \$2.00
  - A member who joins in September 2019 will earn the CU \$0.50
- What will you do to take advantage of this cooperative investment in growing through your internet channels?
  - This is year one, and a program I hope becomes permanent



# WHAT WILL WE TAKE TO THE FUTURE?

## AN OPPORTUNITY BASED ON ADJUSTED TAXES

What would a cooperative do with a permanent tax cut and \$1 million to invest every year going forward?

- How does a cooperative emphasize the “we” in its community thinking?
  - There’s a delicate balance between the power of diversity and individualism, and the challenge in people feeling pitted against one another
- In 2019, **we will roll back prices for 71 CUs** whose five- and seven-year contract commitments warrant a reset

Rate	Clients Impacted	Members Impacted	Monthly Discount	Annual Discount
\$0.590	36	267,496	\$750	\$8,996
\$0.585	37	276,275	\$2,113	\$25,362
\$0.580	58	608,103	\$3,903	\$46,830
\$0.575	66	708,086	\$7,054	\$84,642
\$0.570	71	746,634	\$11,126	\$133,515

# WHAT WILL WE TAKE TO THE FUTURE?

## THE IMPACT OF THE THREE-YEAR PRICE CUTS WE ANNOUNCED LAST YEAR

- 3-year program to eliminate Resource Utilization fee
- EFT price cuts 4 years at 2.5% per year
- EFT fees waived for CUs <2K members
- eCommerce fees waived for CUs <2K members



- These programs are projects to save CUs **\$1.2 million** in our 2018 fiscal year
- In the 2019 fiscal year:
  - The RU fee cut will be \$425,000
  - The 2.5% reduction in EFT fees will save CUs \$275,000
  - Savings for CUs under 2,000 members will exceed \$123,000
- Ultimately, the **fee cuts are projected to save credit unions an additional \$838,000** in 2019
  - Total 2018-2019 savings projected at **\$2.0 million**