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Wisconsin’s Credit Unions Report Strong First Quarter Financial Performance

MADISON, Wis. – Wisconsin’s 118 state-chartered credit unions continue to exhibit strong financial performance through the first quarter of 2021, according to data released today by the Wisconsin Department of Financial Institutions (DFI).

Credit union total assets increased over $3 billion from year-end 2020 and stand at nearly $53 billion through March 31, 2021. Asset and share growth continue to be high with the ratios being 26.35% and 29.88% respectively. Deposits surged during the pandemic, and this, combined with a low interest rate environment continues to put pressure on the net interest margin. Loan growth was 5.12% with loans outstanding growing by $450 million and the loan to savings ratio dropped to 78.35%.

In the three months ending on March 31, 2021:

- Net worth to assets ratio remained strong at 10.14%, down slightly compared to 10.45% at the end of December 2020;
- Delinquent loan to total loan ratio dropped to 0.42% and delinquency and charge-off rates have fallen from pre-pandemic levels when the ratios were 0.62% and 0.30% respectively in March 2020; and
- Net income was nearly $166 million compared to $100 million in March 2020. The return on average assets ratio was 1.30% and has increased, in part, due to a sharp drop in loan loss provisions.

“The financial indictors through the first quarter of 2021 for Wisconsin’s state-chartered credit unions are sound with asset and share growth strong due to members trying to save more because of the lingering shadow of the COVID-19 pandemic,” said DFI Secretary Kathy Blumenfeld. “Overall, Wisconsin’s state-chartered credit unions are financially stable with a positive outlook; however, while the financial indicators are positive, credit unions should continue to work with their members to meet their financial needs.”

To learn more, read DFI’s 2021 First Quarter Bulletin.

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