

CUNA MUTUAL GROUP REPORT

Winter 2018

Working Together to Help People Achieve Financial Security



Christopher Roe
SVP, Corporate &
Legislative Affairs

We were reminded by recent efforts of bank lobbyists in Iowa that adversity only strengthens our partnership. We – as in members, credit unions, leagues, CUNA, and CUNA Mutual Group – don't march alone. We join together to secure the future of the credit union movement. And, as this year's events in Iowa demonstrate, our industry partnerships remain more vital today than ever before.

Our partnership with the Iowa Credit Union League and Iowa credit unions resulted in a swift, concerted defense of the credit union movement. Together, credit unions, members and hundreds of CUNA Mutual Group employees in Waverly, Iowa, worked to defeat the proposed franchise tax through advocacy and grassroots efforts. But, as many of you know, this wasn't just about the 600,000 members in Iowa. These efforts had nationwide implications.

Across the country, the banking industry watched the aggressive state legislative battle unfold, eyeing any weaknesses and refining their messaging. During the legislative session,

bankers were able to push the bill through the Senate. Yet, our unity and cooperation to protect the credit union movement helped to blunt bank attacks and we achieved a major victory.

Of course, we can't rest. Leveraging legislative efforts, large technology platforms and excess capital, banks will attempt to claim an even larger market share – with the largest 100 banks already claiming a 75 percent market share nationwide. Thankfully, our industry partnerships help level the playing field. From there, credit unions – large and small – are empowered to combat the macro trends we've witnessed across the nation.

When we work together, we not only live out our cooperative principles, we help credit unions secure the financial futures of hundreds of millions of people. Whether members are getting better rates on their savings and loans or protecting their financial achievements with one of our protection solutions, their financial security depends on our collaborative efforts to help credit unions and the credit union movement thrive.

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KEYNOTE PRESENTER

SCOTT BALES

Global futurist, innovation & digital strategist; managing director of innovation labs Asia

OPENING - Innovation Wars: Uncover the Competitive Innovation Edge

CLOSING - Serving the Modern Consumer ... Are you ready?

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Industry-Leading Executive Benefits Program Hits \$3 Billion AUM Milestone

Celebrating its 20th anniversary, CUNA Mutual Group's Executive Benefits Program recently reached the \$3 billion milestone in assets under management (AUM). The program is the credit union industry leader – serving more than 1,200 credit unions with plans for more than 3,800 executives. In the past five years, AUM more than doubled, up from \$1.3 billion at the end of 2013.

“Non-qualified deferred compensation plans have provided credit unions a great opportunity for many years to supplement the compensation and retirement income of their executive teams in an effort to support leadership continuity,” said Bruce Bauer, CUNA Mutual Group senior executive benefits specialist. “Our AUM keeps growing as more credit unions add executive benefit plans and Total Benefit Pre-Funding. They have also discovered the exceptional value in using non-703 investments to fund a Charitable Donation Account to provide additional contributions to local charities and foundations.”

The 97 percent retention rate allows invested funds to continue growing. “Customers stay with us because of the service and credentialed support we provide in the fiduciary and compliance components of our plans,” Bauer said. Of particular benefit now is our expertise relative to new excise tax planning, which requires understanding, strategy, and collaboration with a credit union-knowledgeable attorney.



Download the new “[Changes in Accounting Methods](#)” whitepaper, by **John Pesh**, Director, Executive Benefits, from your primary CUNA Mutual Group contact today. It offers a detailed analysis of the new rule change and how it impacts credit unions.

Employees Place High Value on Retirement Planning Tools, Financial Wellness

When ranking their interest in retirement education components, employee plan participants surveyed by CUNA Mutual Retirement Solutions indicated they were most interested in financial wellness topics and a desire to better understand retirement planning tools and resources available to them.

The 2018 Retirement Education Preferences Survey was conducted to provide plan sponsors insight into what retirement topics plan participants are most interested in, what educational resources they want to help guide them to financial security in their retired years, and how well they understand their retirement plans.

“The survey is all about supporting retirement plan participants in their personal journeys toward long-term financial security,” said Jennifer Norr, CUNA Mutual Group vice president of Consumer Experience Marketing. “The more we understand what matters to our participants, the better we can help them remove savings obstacles and build a strong foundation for their lives today and throughout retirement.”

Plan participants were asked to rank their interest in various financial and retirement education planning areas including; understanding tools and resources; smart retirement savings practices; basic investment principles; budgeting and

managing debt; advanced investment principles; and preparing to transition to retirement. Sponsors representing 321 retirement plans administered on the CUNA Mutual Retirement Solutions’ [BenefitsForYou](#) website shared the survey with their employees.



Overall, the 9,200 participants who responded were most interested in understanding the tools and resources available to help them. This was ranked as the top area of interest 25 percent of the time. It might indicate employees are interested in maximizing their returns and learning how their plan can help them prepare for retirement, but they are not certain they have all the information they need.

A secondary theme emerged as participants expressed a strong interest in basic financial wellness topics. This may indicate participants are facing challenges that impact their ability to increase their overall and retirement savings.

For additional insights, visit cunamutual.com. The [survey eBook](#) and a [participant infographic](#) are available to be downloaded.

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