


**You Can't Serve Your
Community, Unless You
Know Your Community**
Montana's Credit Unions Power Up | Thursday, May 23, 2024



Josh Roberts, CCUE, CUDE, CCUF, CCUFC
VP System Collaboration & Development | The Wisconsin Credit Union League

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AGENDA

- 01 Financial Well-Being for All Introduction
- 02 More About Montanans
- 03 Why Does This Matter?
- 04 Leveraging Information

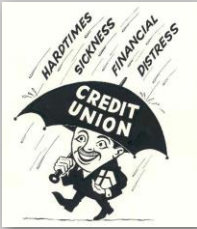
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01

Financial Well-Being for All Introduction



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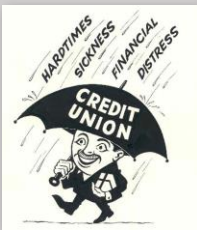
Why were credit unions created?

Credit unions were established to ensure everyone had access to safe, affordable financial services. Almost a century later, the need is as great as ever. Credit unions can thrive by meeting members where they are in their individual financial journey, with the right solutions at the right time.

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The Balance Between Business and Philosophy

Philosophy: Credit Unions were created to serve the underserved, provide savings and loans to folks that might not have access to services elsewhere.

Business: We can't do those things without making a profit to reinvest into the credit union.

Credit unions need to balance their business practices with their philosophical practices.

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Over 176 million people are financially unhealthy, and the wealth gap is widening.

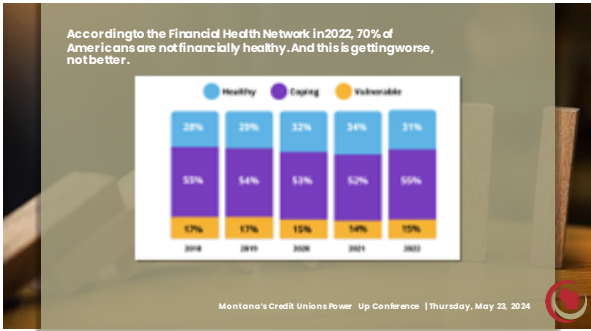
Credit unions were established to provide safe, affordable and relevant financial products to the underserved and overlooked.

For context, the U.S. population is 334.9 million people, and the Montana population is 1.132 million people.

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Financial Well-Being for All is a challenge for credit unions to adopt a more holistic approach to improving the financial health of our members, employees, and the people within the communities that we serve.

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What exactly is Financial Well-Being For All?

#1 CONTROL

Control over your day-to-day, month-to-month finances.

#2 CAPACITY

The capacity to absorb a financial shock.

#3 CHOICE

The financial freedom to make choices to enjoy life.

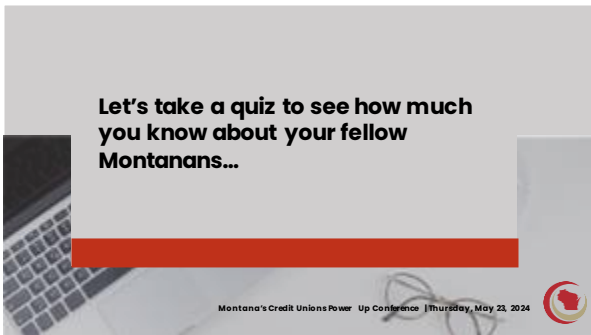
#4 GOALS

Being on track to meet your financial goals.

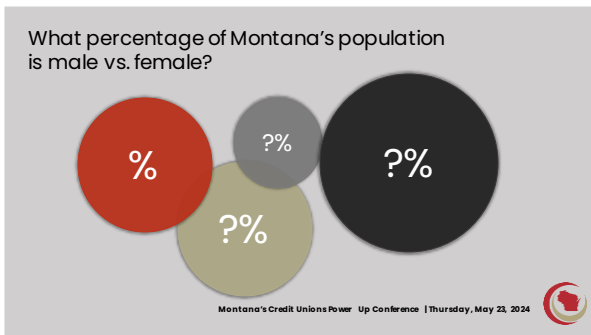
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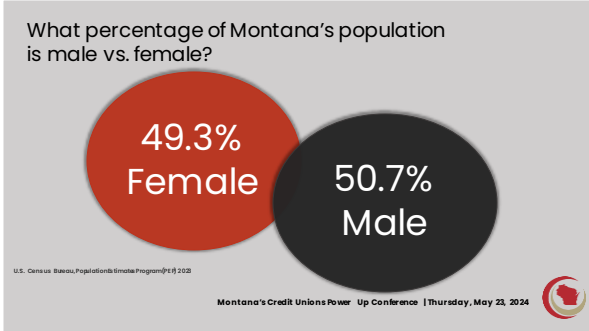
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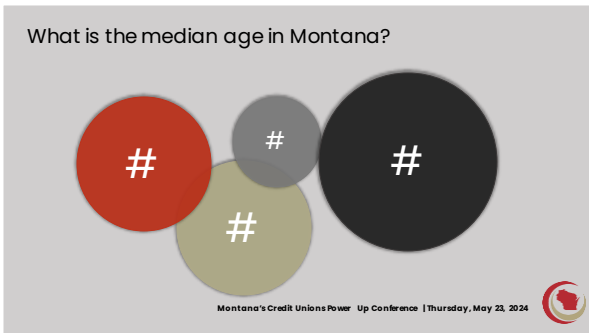
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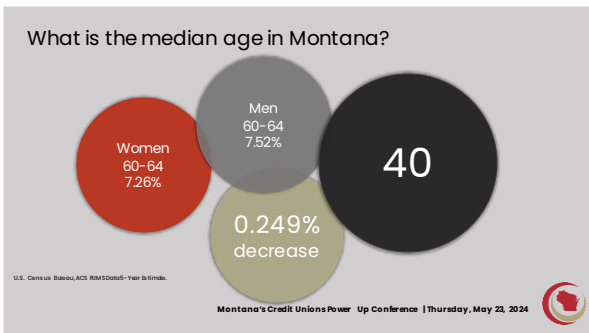
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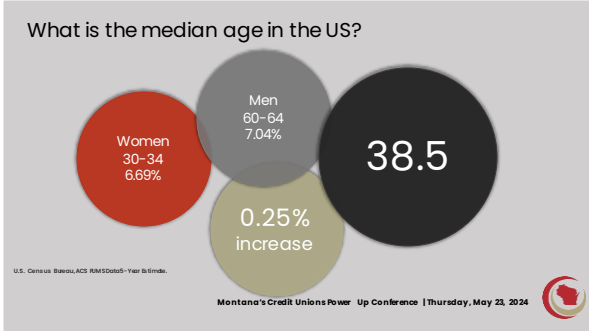
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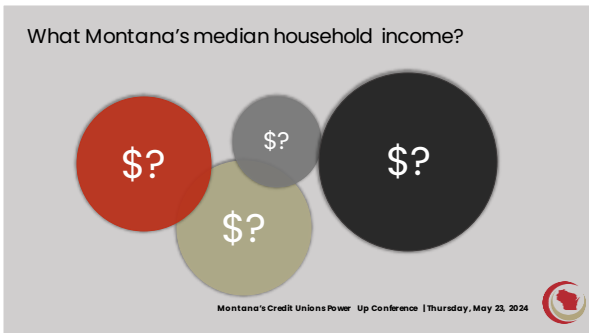
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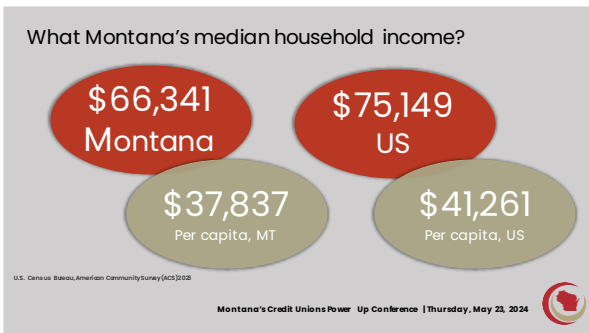
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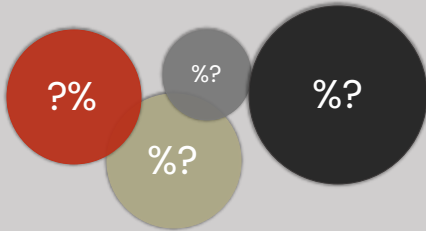


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What's the racial and ethnicity breakdown for Montana?



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What's the racial and ethnicity breakdown for Montana?

Racial & Hispanic Origin	Montana	United States
White, non-Hispanic	85.3%	58.9%
Black	0.6%	13.6%
Indigenous/First Nations	6.5%	1.3%
Asian	1.1%	6.3%
Hispanic or Latino	4.5%	19.1%
Two or more races	3.0%	3.0%

99.1% of Montanan residents are US Citizens
93.5% of US residents are US Citizens

U.S. Census Bureau, U.S. Census Bureau, Population of Montana Region (POP) 2022; American Community Survey (ACS) 2022

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What percentage of Montana's population is food insecure?

What is Montana's literacy rate?

What percentage of Montana's population is a veteran?

What percentage of Montana's population identifies as LGBTQ+?



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What percentage of Montana's population is food insecure? 11%


What is Montana's literacy rate? 91.2%

What percentage of Montana's population is a veteran? 7.27%

What percentage of Montana's population identifies as LGBTQ+? 3.48%

<https://www.fishbase.org/summary/species/food-insecure> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html>

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What percentage of Montana's population is underbanked? ?

What percentage of Montana's population is unbanked? ?

What percentage of children in Montana live in single-parent homes? ?

What percentage of Americans have one or more tattoos? ?

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What percentage of Montana's population is underbanked? 11.5%


What percentage of Montana's population is unbanked? 3%

What percentage of children in Montana live in single-parent homes? 18.3%

What percentage of Americans have one or more tattoos? 32%

<https://www.fishbase.org/summary/species/food-insecure> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html> | <https://www.census.gov/data/tables/2019/acs/2019-acs-5-year-estimates.html>

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What's poverty rate for Montana?

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What's poverty rate for Montana?

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This is only part of the story!

The Federal Government sets the poverty rate annually. This year's guidelines were published on January 17, 2024.

This should not be confused with what is defined as a living wage. Poverty rates are often extrapolated as a ratio to determine social services.

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This is only part of the story!

Family Size	2023 Annual	2023 Hourly	2024 Annual	2024 Hourly
Individuals	\$14,580	\$7.01	\$15,060	\$7.24
Family of 2	\$19,720	\$9.48	\$20,440	\$9.83
Family of 3	\$24,860	\$11.95	\$25,820	\$12.41
Family of 4	\$30,000	\$14.42	\$31,200	\$15.00

According to the US Department of Health and Human Services, "The poverty guidelines are sometimes loosely referred to as the "Federal poverty level" (FPL), but that phrase is ambiguous and should be avoided, especially in situations (e.g., legislative or administrative) where precision is important.

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There is a better measurement.



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United for ALICE

ALICE = Asset limited Income Constrained, Employed

Not to be confused with the US Poverty Rate.

Defines the income needed to make basic ends meet.

23 States have ALICE programs through United Way

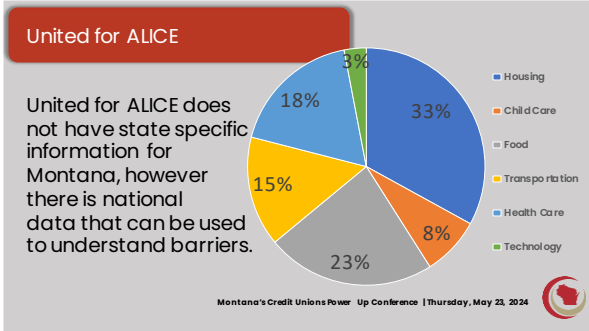
Three more in 2024 Minnesota, Colorado & North Carolina

Montana does not have an ALICE program

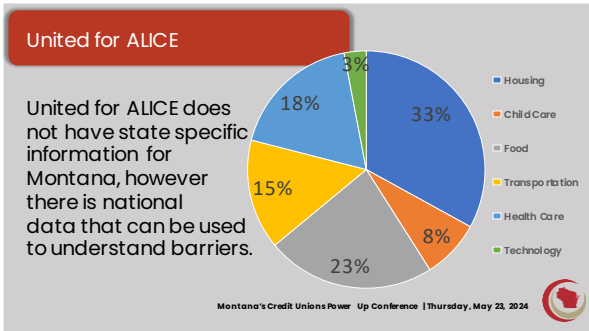
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Survival Budget Illustrated

Consider this question:

At what hourly wage can a family of three or four fulfill the minimum survival budget?

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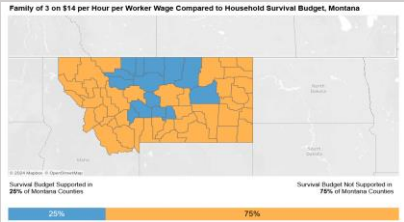
Survival Budget Illustrated



<https://www.unh.edu/bdlaia.org/agee-tool> Montana's Credit Unions Power Up Conference | Thursday, May 23, 2024

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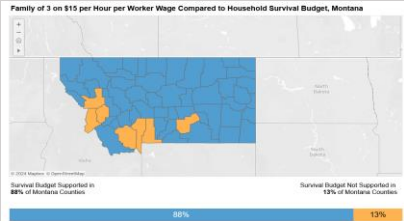
Survival Budget Illustrated



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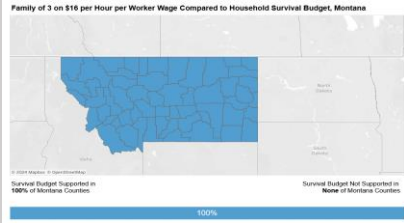
Survival Budget Illustrated



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Survival Budget Illustrated



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Survival Budget Illustrated

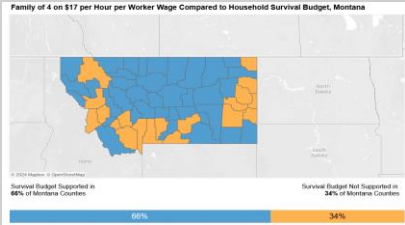


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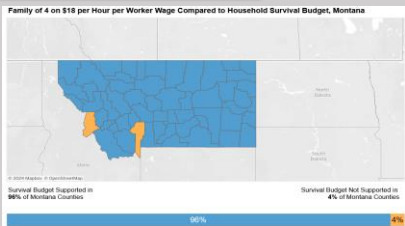


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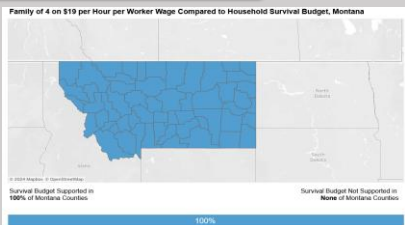


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Survival Budget Illustrated



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Most affected counties

The top four counties with the highest ALICE population:

County	Poverty Rate	ALICE Rate	Total Below ALICE	Total Households
Glacier	29%	40%	69%	4,175
Roosevelt	27%	39%	66%	3,050
Big Horn	19%	44%	63%	3,622
Prairie	24%	38%	62%	485

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These are your members.
 Current and potential members face money issues everyday of their lives.


Folks are struggling to save. Under \$1,000 in liquid savings:
 Generation Z: 32%
 Millennials: 31%
 Generation X: 27%
 Baby Boomers: 20%

<https://www.frboc.com/division/banking/savings/governance/our-story/>

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These are your members.
 Current and potential members face money issues everyday of their lives.

Folks are struggling to purchase a home
 What prevents a down payment?
 High Rent: 40%
 Car Loans 39%
 Credit Card Debt: 38%
 Student Loans: 35%
 Child Care Costs: 19%

<https://www.mpr.net/blog/economy/auto/hillside-4th-underperforming-credit-gains-hike-credit-interest-rates>

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The Foundation's DEVELOPMENT ISSUES

SAVINGS People are not saving on credit. Many are not saving at all. Many are saving but not saving the right way. Many are saving but not saving enough. Many are saving but not saving for the right reasons.	CREDIT Credit is a critical component of economic growth. Credit is essential to making major purchases. People who are creditless are at a disadvantage. People who are creditless are at a disadvantage. People who are creditless are at a disadvantage.	DIVERSITY & EQUITY Diversity and equity are essential to economic growth. Diversity and equity are essential to economic growth. Diversity and equity are essential to economic growth.	INCLUSION Inclusion is essential to economic growth. Inclusion is essential to economic growth. Inclusion is essential to economic growth.	EDUCATION Education is essential to economic growth. Education is essential to economic growth. Education is essential to economic growth.	EMPLOYMENT Employment is essential to economic growth. Employment is essential to economic growth. Employment is essential to economic growth.
HUNGER Hunger is a global issue. Hunger is a global issue. Hunger is a global issue.	HOUSING Housing is a global issue. Housing is a global issue. Housing is a global issue.	HEALTH Health is a global issue. Health is a global issue. Health is a global issue.	ENVIRONMENT Environment is a global issue. Environment is a global issue. Environment is a global issue.	TRANSPORTATION Transportation is a global issue. Transportation is a global issue. Transportation is a global issue.	TECHNOLOGY Technology is a global issue. Technology is a global issue. Technology is a global issue.

THE FOUNDATION

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These are your staff members.
 Tellers are more than likely the lowest paid staff members and are the front line of financial education and empowerment at the credit union.

Montana Average Teller Wage: \$37,130/yr.
 \$17.85/hr.

National Average Teller Wage: \$38,650/yr.
 \$18.69/hr.

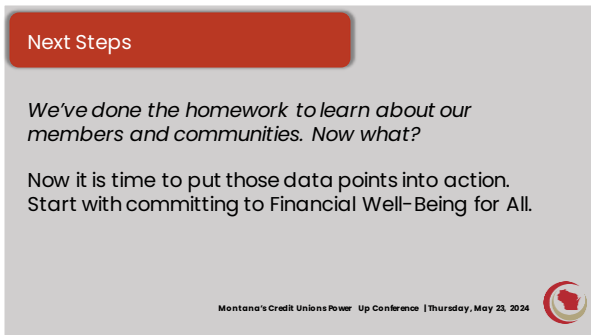
https://www.bls.gov/bls_current/tables/42023.html

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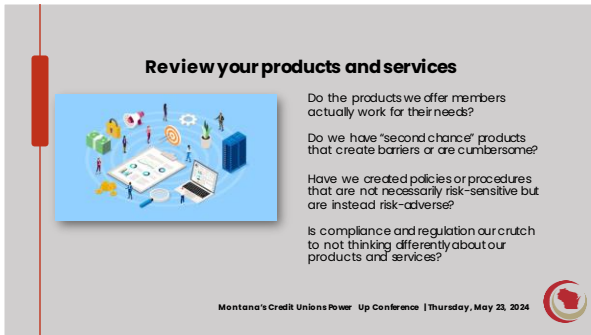
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Review community impact



If financial education is important to our credit union, is it targeted to only a specific group, or is it more holistic?

Do people know that they can join the credit union, and if so, do they truly understand the benefits of membership?

Have staff been empowered to being active?

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Leverage partnerships



Share information about successful programs and services with other credit unions.

We cannot solve everything – but we might be able to forge a partnership with local agencies or government programs.

Investigate strategic philanthropy opportunities.

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Create empathy in our work



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Putting Financial Well-Being For All into Practice



#1 COMMIT

Integrating a holistic financial well-being strategy starts with commitment at the top. Discover ways to engage your C-Suite, senior leadership and Board of Directors.

#2 ASSESS/LEARN

In order to improve someone's financial well-being, you must know your starting point. Explore examples of successful baseline metrics and long-term impact tracking.

#3 PLAN

A fully integrated financial well-being strategy has to influence every element of your organization. See how other organizations have operationalized financial health.

#4 ACT

A successful financial health strategy has to be adaptable. Uncover opportunities to continuously listen, learn and adjust your program to improve financial well-being for all.

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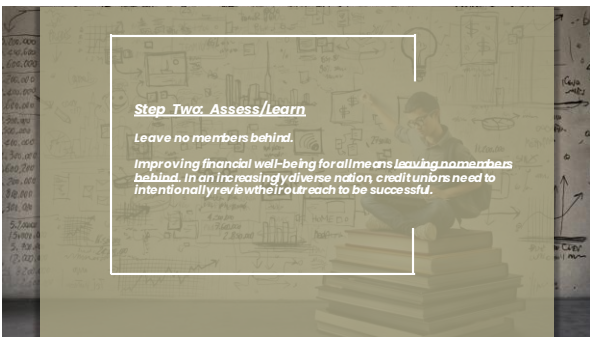


Step One: Commit

Secure support to ensure success.

For many credit unions, focusing on financial well-being for all can feel like additional work. But the chances are you're already doing this. The following resources can help simplify conversations and secure executive support.

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Step Two: Assess/Learn

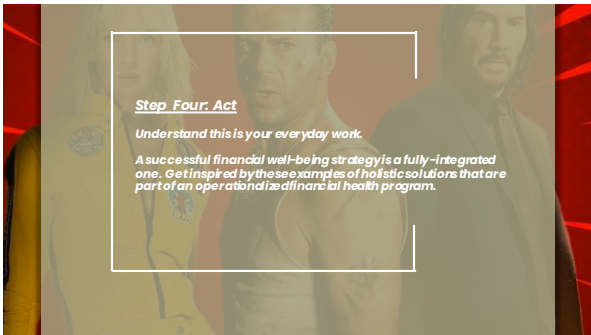
Leave no members behind.

Improving financial well-being for all means leaving no members behind. In an increasingly diverse nation, credit unions need to intentionally revise their outreach to be successful.

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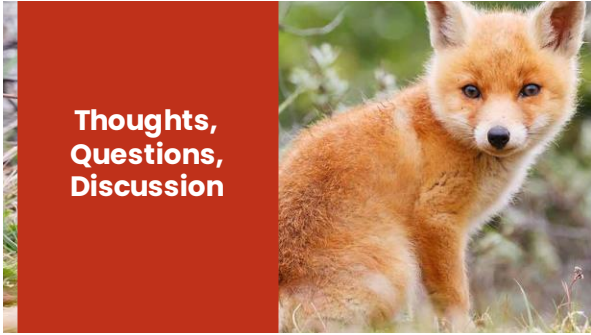
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