

# NEW YORK BUSINESS JOURNAL

## THE PLAYBOOK

# These are the most efficient credit unions in America



**Credit unions have been gaining deposits at a faster rate than banks. The Business Journals has compiled a list of the nation's most efficient credit unions.**

ANDY MEDICI  
Senior Reporter, The Playbook,

Editor's Note: This story is part of a new series of national Lists The Business Journals will be publishing looking at several different industries.

Stay true to who you are.

That's how Merck Employees Federal Credit Union CEO Paul Gentile describes the approach that helped Merck Employees Credit Union top The Business Journals' first List of America's most efficient credit unions, which was ranked by deposits per full-time employee.

The approach for the credit union, which serves employees of the pharmaceutical giant Merck & Co. Inc. (NYSE: MRK), includes a 1% dividend on all shares, a laser focus on the New Jersey-based credit union's original membership and keeping fee income to less than 1% of the bank's income.

"We really stayed true to our knitting and stayed true to our Merck employee base and our retirement base," Gentile said. "It's a discipline to stay true to who you are."

Merck Employees Federal Credit Union recorded \$85 million in deposits per full-time employee. The credit union has \$2.13 billion in deposits, \$2.39 billion in assets and had a net income of \$6.98 million in 2021. Its deposits per employee was twice that of the second-most efficient credit union, Copper Basin Federal Credit Union, of Copperhill, Tennessee.

Merck Employees hasn't tried to grow outside its original membership base, something that other credit unions have done, Gentile said, adding that its older members recruit children and grandchildren to join, resulting in low marketing costs.

"The credit union is seen as a real benefit to them, and they are just passing us along as a benefit to their family members," Gentile said

Overall, credit unions have seen their assets grow by about \$231 billion from the third quarter of 2020 to the third quarter of 2021, the latest data available, according to the National Credit Union Administration. That 12.9% jump brings total credit union assets to about \$2 trillion.

Overall deposits rose \$189 billion, or 13.4% to about \$1.6 trillion during the third quarter of 2021. Net income totaled about \$21.5 billion in the third quarter, up 96.2% during the same time in 2020.

In comparison, total assets at banks insured by the Federal Deposit Insurance Corp. increased 2%, or about \$462.6 billion in the second quarter to about \$23.3 trillion. Net income rose to \$69.5 billion in the third quarter of 2021, a 36% increase over the third quarter of 2020.

# NEW YORK BUSINESS JOURNAL

Overall credit unions have seen delinquency rates fall, average return on assets rise and total members grow, with nearly 4.9 million more members, totaling 128.6 million in the third quarter of 2021.

The trend toward consolidation also continues, with the number of federally insured credit unions falling to 4,990 in the third quarter of 2021, down from 5,133 in the third quarter of 2020.

“Federally insured credit unions, as a whole, continued to perform well in the third quarter,” said NCUA Chairman Todd M. Harper in a press release in November announcing the third quarter results. “There is, however, wisdom in the age-old advice: If you fail to plan, you plan to fail. While the third quarter data appear strong, federally insured credit unions should brace for potential challenges ahead like inflation and interest rate risk. They should also prepare for increases in credit risks now that many pandemic-relief programs have ended.”

So what does 2022 hold for credit unions? A continued focus on financial wellness, which Gentile said saw a renewed interest over the Covid-19 pandemic, with traffic to the credit union’s financial wellness resources tripling. It also means a continued focus on digital technologies. At Merck, the credit union used the pandemic to switch over all of its signatures to electronic signatures, he noted.

Mergers between credit unions and banks will also continue, Gentile said, although he stressed it was not in his credit union’s plans. And while the NCUA has worked on new rules that would allow credit union to dip into the cryptocurrency space, he said credit unions should not lead the charge on that, and instead wait.

“I think credit unions should never be bleeding edge on that stuff. We should never be the tip of the spear so to speak,” Gentile said. “Because our members trust us so much, we can do it slower, later and we would still be successful.”

Here’s a sneak peek at the top 20. Click below for the full List of 100:

## 1. Merck Employees Federal Credit Union, Rahway, New Jersey | \$85,015,722 deposits per full-time employee

2. Copper Basin Federal Credit Union, Copperhill, Tennessee | \$40,915,301 deposits per full-time employee
3. Bucks County Employees Credit Union, Doylestown, Pennsylvania | \$40,714,432 deposits per full-time employee
4. Star One Credit Union, Sunnyvale, California | \$39,129,578 deposits per full-time employee
5. State Farm Federal Credit Union, Bloomington, Illinois | \$36,726,162 deposits per full-time employee
6. Self Reliance NY Federal Credit Union, New York, New York | \$36,272,650 deposits per full-time employee
7. Connecticut State Employees Credit Union, Hartford, Connecticut | \$34,191,250 deposits per full-time employee
8. NCPD Federal Credit Union, Plainview, New York | \$32,817,946 deposits per full-time employee
9. Columbia Post Office Credit Union, Columbia, South Carolina | \$32,626,281 deposits per full-time employee
10. Holy Ghost Parish Credit Union, Dubuque, Iowa | \$30,675,871 deposits per full-time employee
11. Yonkers Teachers Federal Credit Union, Yonkers, New York | \$30,440,735 deposits per full-time employee
12. Lufthansa Employee Federal Credit Union, East Meadow, New York | \$29,746,164 deposits per full-time employee
13. Mead Coated Board Federal Credit Union, Phenix City, Alabama | \$26,469,162 deposits per full-time employee
14. APCO Employees Credit Union, Birmingham, Alabama | \$25,893,400 deposits per full-time employee
15. Struthers Credit Union, Struthers, Ohio | \$25,838,775 deposits per full-time employee
16. Caltech Employees Federal Credit Union, La Canada, California | \$25,658,316 deposits per full-time employee
17. Schlumberger Employees Credit Union, Sugar Land, Texas | \$24,505,509 deposits per full-time employee
18. Firestone Federal Credit Union, Coventry Township, Ohio | \$21,790,876 deposits per full-time employee
19. Harrison Police & Fireman’s Federal Credit Union, Harrison, New Jersey | \$21,583,700 deposits per full-time employee
20. SM Federal Credit Union, Mission, Kansas | \$21,426,045 deposits per full-time employee