



Real



People

Real



Needs

REAL Solutions

From Wisconsin's Credit Unions

Throughout our history, credit unions have always focused on real people with real needs. That's what distinguishes credit unions from all other financial institutions—a focus on their members and the communities their members live and work in.



Over the past 75+ years, credit unions have helped working people buy homes and cars, send their kids to college and join the financial mainstream. But even while our society has become more affluent, millions of hard-working people are still left on the margins of our financial system. And today, just as in times past, credit unions still offer real solutions to the everyday problems real Americans face in our times.

The REAL Solutions program was created by the Wisconsin Credit Union League to give a name and a face to those solutions, but we didn't invent them. REAL Solutions just highlights the hundreds of programs and policies created by credit unions all over Wisconsin that fulfill the credit union mission of serving all their members regardless of wealth.

For some credit unions, that means making a special effort to give a loan to single parents who can't get credit anywhere else. For others, it's offering emergency loans at half the cost of the storefront payday loan stores. Other credit unions are reaching out to welcome the various ethnic groups that are becoming a more important part of the Wisconsin population. Still others have made it their mission to educate the next generation about the realities of money and credit.

Even though credit unions offer ATMs, mortgage loans, debit cards and sophisticated investment options, we really haven't changed our basic mission or purpose. For most of our two million members in Wisconsin, credit unions offer the best value in financial services. But for the most needy, we are a financial lifeline and a helping hand when no other hand is available.

Credit unions are a reflection of Wisconsin's population. Members come from all different walks of life with a wide range of needs. But no matter what the needs of our members may be, credit unions are there with a solution. A real solution for our members. A real solution for our communities. A real solution for Wisconsin.



Ken Eiden

“The GoodMoney store looks, feels and acts just like any other payday lender. The critical difference is that we provide that service at less than half of the cost of our local payday lenders. Additionally, we provide financial education that allows the consumer to choose a different financial future.

Ken Eiden is CEO of Prospera Credit Union, Appleton.



Ben Gedney

“I started out with a savings account. Recently I went over to checking, and now I’ve opened up an IRA through the credit union. It’s helped me learn the value of saving a dollar or a penny—it all adds up in the end.”

Ben Gedney is a student at Stevens Point Area Senior High and a member of Point Plus Credit Union, Stevens Point.

Real People Real Needs



“I had a car, and it was just causing me a lot of problems and just breaking down. I’m in school to become an administrative assistant. I have a job, and I was panicking. I didn’t know how I was going to get to work or how I was going to get to school. The credit union got me the car I needed. If they hadn’t, I wouldn’t have been able to finish school.”

Elizabeth Grobman is a member of WESTconsin Credit Union, Menomonie.



“We are working with an at-risk population. A lot of the neighborhoods they’re in have payday loan or check cashing stores, so we are really trying to get them out of that mode of thinking and get them learning about their finances at an early age. We’re hoping that when they get to be older, they don’t have to turn to those kind of places.”

Elizabeth Pernot is CEO of STAR Credit Union, located in the Boys & Girls Club of Dane County, Madison.



“Rebecca’s Closet is just such a stunning example of the credit union philosophy of people helping people. The credit union takes donors’ items that they no longer need, and we act as a clearing-house for those items and provide them to the people in the community that really need them.”

Kathy Jansen is vice president of Cloverbelt Credit Union, Wausau.



“A lot more Hispanic people are buying houses and obtaining loans because they understand better when you explain things to them in their own language. They are kind of scared of not understanding everything, and every step they have to do. Having someone there to help them is going to prove invaluable for them.”

Maria Contreras is a member of First Community Credit Union, Beloit.



“Things happen; the electricity gets cut off, the gas gets cut off or a car needs repair. We’ll satisfy that need immediately. Otherwise they would go to a payday lender. But, we will work them through that and put them into more traditional loan products with education and counseling.”

Jim Schrimpf is CEO of Brewery Credit Union, Milwaukee.

REAL Solutions

REAL Solutions Means:

Providing Financial Alternatives

For thousands of people on the margins of our financial system, credit is either horribly expensive, or not available at all. Over the last decade in Wisconsin, the number of payday loan outlets has grown from 17 to 470. They often charge interest rates of 520 percent or more. Credit unions provide real solutions for those who don't have a good source of low-cost credit. Some have created programs to give car loans to single parents who don't meet strict credit rules, so they can get to work or school. Others offer quick cash programs that provide emergency cash at much lower rates than storefront lenders, combined with financial counseling to help break the cycle of debt.

Reaching Out to the Community

Over the past decade, Wisconsin's Hispanic community has grown at three times the national rate. Meanwhile, Hmong refugees continue to arrive in Wisconsin from Southeast Asia. These groups and others who are new to our communities or who don't speak English comfortably often feel shut out of a financial system they may not trust or understand. To help those members share in the stability and prosperity most of us enjoy, Wisconsin credit unions have hired member services staff who speak other languages and are getting involved in minority communities.

Educating the Next Generation

Credit unions have taken up the task of teaching young people the value of saving and the responsible use of credit. That's especially critical today, when kids are deluged with offers of "easy credit" and "low introductory rate" credit cards. In response, dozens of Wisconsin credit unions have gone where the young people are. More than 50 have opened branches in high schools and some are even located in Boys & Girls Clubs.

Helping Wisconsin Taxpayers

Credit unions all over Wisconsin are working with state and local agencies to offer free tax preparation, education and asset-building strategies to tax filers, especially those with low incomes, the disabled, individuals with limited English proficiency and the elderly. That assistance helps hundreds of people get all the money they deserve in tax refunds. The credit union not only helps them get free, fast tax refunds, but also provides a no-cost alternative to expensive "refund anticipation loans" that cost Wisconsin consumers \$28.5 million annually.



REAL Solutions earned a Governor's Award in 2006 as an innovative effort that improves the financial literacy and capabilities of Wisconsin citizens.

← **REAL Solutions at work**

The Credit Union Difference

Not-for-profit credit unions serve their members because the members are the owners—there are no shareholders expecting profits. As a result, credit unions will offer members services even if in doing so they don't make a dime.

Because credit unions aren't driven by the bottom line, they're looking for ways to pass along financial benefits to their members, whether through more competitive rates on savings and loans or lower and fewer fees.

And credit unions' volunteer directors, elected by members, play a crucial role: to look out for members' best interests, for example, by ensuring their savings and borrowing needs are being met.

To put it simply, credit unions are not-for-profit, member-owned cooperatives distinguished by their:

- **Purpose** — to serve members
- **Governance** — volunteer directors elected by members
- **Member Benefits** — earnings invested in members and the community
- **Values** — in people, not profits



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