

# Legislator's Guide to Credit Unions

GEORGIA CREDIT UNION

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*Affiliates*

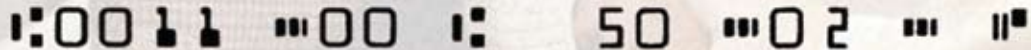


## FAQ

### What is a Credit Union?

Credit unions are not-for-profit financial institutions that are owned by members and provide many of the same financial services that other financial institutions offer, including checking and savings accounts, credit and debit cards, auto and mortgage loans and ATMs. However, credit unions often offer services that for-profit institutions may not always offer. Examples include small denomination signature loans under \$1,000 to help members through financial difficulties, savings clubs for kids and seniors and financial counseling.

Credit unions are led by a board of directors elected from and by the membership. Board members volunteer their time and service and are generally not compensated. The earnings made by credit unions are returned to members in the form of lower fees and rates on loans and higher returns on deposits.



### Who Can Join a Credit Union?

Many Georgia citizens can join a credit union. Membership at a credit union is open to individuals who are associated through employer, religion, organization or community. Each credit union is structured to serve a specific field of membership. Consumers can visit [www.georgiacreditunions.org](http://www.georgiacreditunions.org) to determine which credit union they might be eligible to join.

### What's the Difference Between a Credit Union and a Bank?

Credit union members actually own the credit union. Each credit union member has an equal vote in determining the direction taken by the institution regardless of how much money they have deposited in the credit union. Credit unions are not-for-profit, which helps keep fees low and typically allows for higher returns on deposits and lower interest rates on loans. Credit unions cannot issue stock and most importantly, they return earnings to their members. Member ownership also supports a more personalized level of service.

### Do Credit Unions Have Insured Deposits?

Credit unions have insured deposits. Credit unions have their own federal insurance program covering member accounts, backed by the full faith and credit of the United States government through the National Credit Union Share Insurance Fund (NCUSIF). The NCUSIF is administered by the National Credit Union Administration (NCUA). Like other financial service providers, credit unions are regulated and audited either by state or federal agencies.

### Do Credit Unions Pay Taxes?

Credit unions do, in fact, pay taxes. They pay property, employer and some other local taxes, but because credit unions are not-for-profit, they do not pay corporate income taxes. Banks, however, must pay corporate income taxes because they are in business to maximize profits and return them to stockholders, not to customers.

# Georgia credit unions

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Source: Georgia Credit Union Affiliates  
2006 Statistical Report

Number of Credit Unions in Georgia	182
State Chartered	66
Federally Chartered	116
Number of Credit Union Members in Georgia	1.7 million
Percent of Total Georgia Population	18.8%
Total Assets	\$11.8 million
Loans	\$ 7.1 million
Savings	\$10 million
Number of Georgia Credit Union Employees	4,055

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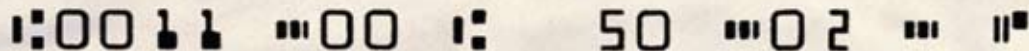
# U.S. credit unions

Number of Credit Unions in the U.S.	8,662
Number of Credit Union Members in the U.S.	88.2 million
Total Savings	\$621.1 million
Total Loans Outstanding	\$510.7 million
Total Assets	\$732.5 million

Source: Credit Union National Association,  
Economics & Statistics Department, 2006

# *Affiliates*

Georgia Credit Union Affiliates (GCUA) provides information and services to help credit unions in Georgia meet the financial services needs of the 1.7 million citizens in Georgia who are credit union members. Our mission is to assist credit unions in becoming the premiere providers of consumer financial services in Georgia.



# GCUA

## supports

### credit unions through:

#### Advocacy

As the voice of credit unions in regulatory and legislative matters, GCUA helps strengthen the reputation of Georgia credit unions and promote credit unions to many different groups.

#### Compliance

Because staying current with regulatory and compliance issues is critical to the operation of a credit union, GCUA collaborates with the national trade association for credit unions, Credit Union National Association (CUNA), to serve as a conduit of information for daily operational and regulatory issues.

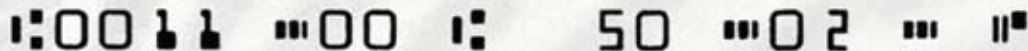
# Your Source For Credit Union Information – GCUA Advocacy Team

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Georgia Credit Union Affiliates (GCUA) can put you in touch with a credit union expert, who can provide information about general financial topics, consumer issues, legislation affecting financial institutions and credit union specific matters.

Credit unions are an excellent resource for up-to-date information on financial issues—from interest rates and consumer spending habits to banking trends, financial legislation and more. There are hundreds of resources available through Georgia credit unions.

For more information, or to speak with a credit union expert or member, contact Michael Culbertson, Chief Advocacy Officer at Georgia Credit Union Affiliates, [mikec@gcu.org](mailto:mikec@gcu.org), 800-768-4282 or 770-476-9625 ext. 3411.



## **Cooperative Principles for Georgia Credit Unions:**

- Members, Not Just Customers**
- Democratic Control**
- Service Differentiates**
- “Profits” Belong to the Members**



AMERICA'S  
CREDIT UNIONS™

*Where people are worth more than money.™*

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