



Toro Employees Federal Credit Union offers safe option for consumers

As consumer confidence in the financial services industry begins to waver, many have found a safe haven for their deposits in a longtime friend –credit unions.

Today, approximately 3,200 members belong to Toro Employees Federal Credit Union.

“Credit unions might be one of the best kept secrets in financial services,” said Grant Johnson, Manager of the Credit Union, which has served Toro employees and families since 1949. “We are structured to support the financial needs of our members, who are also owners of the credit union. So everything we do is in the interest of the members.”

One thing that makes credit unions a safe bet in this economy is that they have not, in large part, made risky sub-prime loans. Credit unions operate more conservatively and tend to hold more of their mortgage loans in portfolio rather than sell them to Fannie Mae and Freddie Mac on the secondary market. At Toro Employees FCU the mortgage loan portfolio has remained healthy, with a loan to asset ratio of 87% and an average 0.38 percent delinquency rate. We have a member’s equity ratio of 12.50% which far exceeds 7.00% what our credit union regulator, National Credit Union Administration, considers well-capitalized.

“We manage our loan portfolio very conservatively because it’s our members’ money,” said Grant Johnson.

Additionally, the funds that every credit union has on deposit – including those at Toro Employees FCU – are insured by the full faith and credit of the federal government. The National Credit Union Share Insurance Fund (NCUSIF) insures shares on deposit at credit unions up to \$250,000 and insures retirement funds up to \$250,000.

“In the history of the NCUSIF, not one penny of insured savings has ever been lost by a member of a federally-insured credit union,” said Grant Johnson. “Credit union members can rest assured that their deposits are safe and sound.”