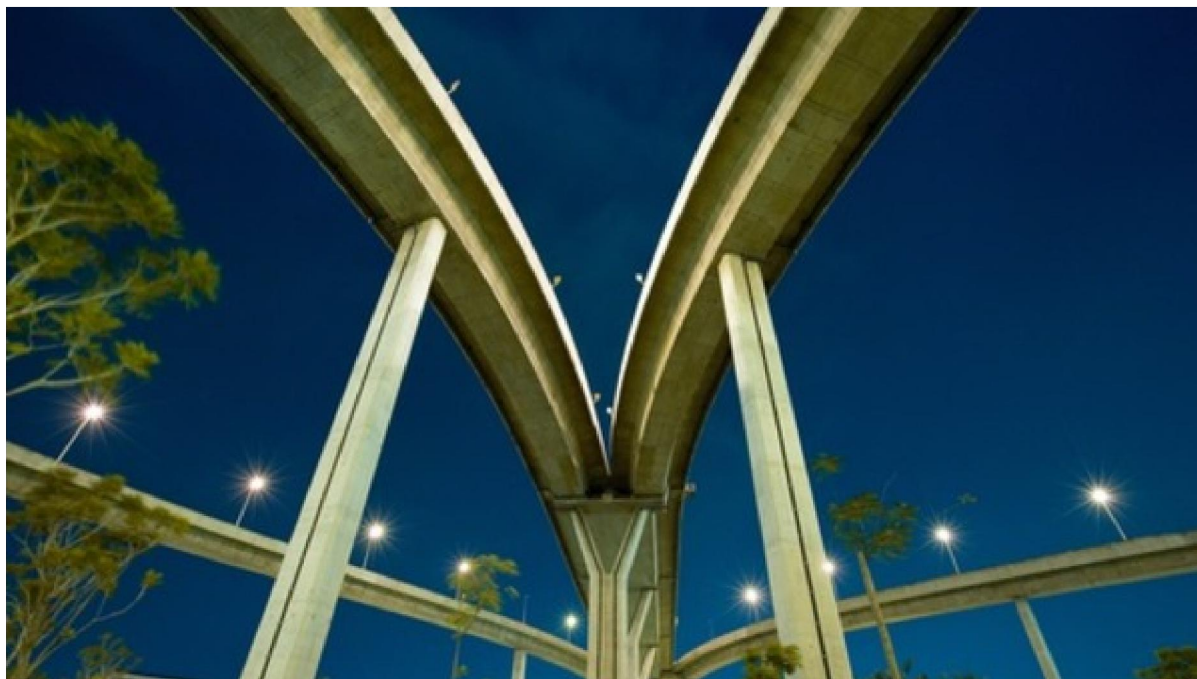


NCUA Approves 123 Mergers in First Half of 2014

By Peter Strozniak July 24, 2014 • [Reprints](#)

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The NCUA said it approved 20 mergers in June, just one more from the 19 consolidations that were approved in June 2013. In the first six months of the year, the NCUA gave the green light to 123 mergers. That tally is down slightly from the 132 consolidations the federal regulator approved by the end of the first half of 2013. By the end of June 2012, 114 mergers were approved.

According to the June Insurance Report of Activity recently posted on NCUA's website, 12 credit unions received approval to merge for expanded services, three for loss or declining field of membership, two for poor financial performance, two for lack of sponsors and one for poor management.

All but three of the merged credit unions managed well under \$50 million in assets, the report revealed.

The NCUA report showed that one of the two largest credit union mergers occurred in California where the \$130 million, 11,017-member South Western Federal Credit Union in La Habra was approved to merge with the \$710 million, 63,532-member [Credit Union of Southern California](#) in Brea. When finalized, the merger will increase CUSC's assets to more than \$840 million and bring its membership up to more than 74,000.

June's second largest approved merger was in Minnesota where the \$144 million, 19,685-member Greater Minnesota Credit Union in Mora was approved to consolidate with the \$626 million, 65,112-member [Spire Credit Union in Falcon Heights](#). The merger increased Spire CU's assets to \$770 million and its membership to more than 84,000. The cooperative now serves the third largest membership in the North Star State, according to Spire CU.

The third largest approved merger was the \$50.3 million, 3,900-member Education Affiliates Federal Credit Union of New York City into the \$311 million, 20,143-member [McGraw Hill Federal Credit Union of East Windsor, N.J.](#)

The NCUA said it approved these consolidations for expanded services.

Because of their poor financial condition, the regulator gave the green light for the \$5.8 million Midwest Associates Federal Credit Union in Mason, Ohio, to merge with the \$599 million [Kemba Credit Union in West Chester, Ohio](#), and the \$2.8 million Hampton Roads Postal Credit Union of Hampton, Va., to consolidate with the \$1.3 billion [Bayport Credit Union in Newport News, Va.](#)

With only 1,356 members, Midwest Associates Federal Credit Union posted a net worth of 5.90% compared to the peer average of 14% at the end of first quarter 2014, according to the NCUA financial performance reports. The credit union also posted declining loan and fee income as well as net income losses in four of the last five years (2009 to 2013), NCUA financial performance reports showed.

Hampton Roads Postal Credit Union served only 650 members and posted a net worth of 6.11% at the end of 2014 first quarter compared to the peer average of 14.44%, according to NCUA financial performance reports. In four out of the last five years (2009 to 2013), Hampton Roads Postal CU posted net losses, financial performance reports from the regulator also showed. Because of poor management, the \$2.5 million IBEW 466 Federal Credit Union in Charleston, W. Va., was approved to consolidate with the \$19.4 million Union Trades Credit Union in Parkersburg, W. Va., according to the NCUA's Insurance Report of Activity

With only 602 members, the IBEW 466 FCU posted a net worth of 8.49% as of March 2014, which was below the peer average of 14.44%. In addition to falling loan income from 2011 to 2013, the credit union posted net losses in the same years, according to NCUA financial performance reports.

Because of declining field of membership, the NCUA said it approved mergers for the \$1 million Wheeling Pittsburgh Steel Office Federal Credit Union in Barnesville, Ohio, with the \$1.4 million Teamsters Local 697 Federal Credit Union in Wheeling, W. Va., the \$26.4 million Delaware First Federal Credit Union in Wilmington, with the \$214 million Dexsta Credit union also in Wilmington, Del., and the \$140,809 Guidance Church of Religious Science Federal Credit Union in Los Angeles with the \$45 million 20th Century Fox Federal Credit Union, also in Los Angeles.

The NCUA also approved consolidations for the \$1.4 million Pittsburgh Pepsi Cola Credit Union in Observatory, Pa., with the \$213 million USX Federal Credit Union in Cranberry, Pa. and the \$700,658 G.C. I. Employees Credit Union in Hazleton, Pa., with the \$27 million U.F.C.W. Local #72 Credit Union of Wyoming, Pa.

Both PPCCU and G.C.I. Employees CU lost their sponsor support.

Other mergers completed in June were:

- The \$41 million, 5,361-member Tri-State Federal Credit Union in Midland, Pa., into the \$821 million, 79,893-member [Clearview Federal Credit Union](#) in Moon Township, Pa.
- The \$20 million, 2,383-member Sheraton Hawaii Federal Credit Union in Honolulu with the \$517 million, 51,790-member Hawaiian Tel Federal Credit Union also in Honolulu.
- The \$10.9 million, 2,407 member Healthcare Family Federal Credit Union in Hagerstown, Md., into the \$482 million, 48,194-member [Patriot Federal Credit Union in Chambersburg, Pa.](#)