

# Midlands Business Journal

JUNE 17, 2011

THE WEEKLY BUSINESS PAPER OF GREATER OMAHA, LINCOLN AND COUNCIL BLUFFS

VOL. 37 NO. 24

## Focus on small business lending bringing gains to Centris Federal

by Michelle Leach

Nationally, credit union membership has dropped by 1 percent, according to President Kevin Parks, who noted Omaha-based Centris Federal Credit Union has been in the fortunate position of growing membership 4 percent in the past year, in part organically (referrals) and by actively raising awareness of the Centris brand in the markets it serves.

In addition, Parks discussed strategies to focus on small business lending, which were launched three years ago — efforts that resulted in the credit union boosting its small business loan volume from less than \$400,000 in 2007 to \$6.5 million by the close of fiscal year 2010. This emphasis led to Centris being named the U.S. Small Business Administration's top nationwide Rural/Small Business Lender of the Year for 2011.

SBA-backed loans account for around 30 percent of its total commercial portfolio; in addition, its small business loans have been attributed to the creation of 160 new jobs.

Parks and other senior staff, including Vice President O.J. Spooner, were on hand to accept this national honor in D.C. at the recent SBA Small Business Week.

"One of the things we pride ourselves in is being consistent," Parks said, referring to upheaval in the financial services sector and the ensuing changes to lending standards, with some organizations lending less or not at all. "We didn't change our lending policy.

"We wanted to be available to our customers when they needed us."

Initiatives to heighten the financial institution's presence, like its weekly summer cook-outs for members at selected branches, and sponsoring the Family Fun Zone at Omaha Storm Chasers games, are beneficial, Parks said.

"All members get free access to the Fun Zone at Werner Park," he said, noting this partnership alone has bore fruit. "People are joining Centris because of it — those little things add up."

Also, the Fun Zone was attributed, at least



**President Kevin Parks ... Consistency in lending standards through recession, heightened profile through community projects contribute to mortgage and commercial loan growth.**

partly, to growth with regard to existing customers who have opted to open new accounts for their children.

Being able to provide value through the likes of community-related projects has helped the organization buck a downward, national trend, according to information from Parks.

"Credit unions were more popular in the late 1940s to late 1950s," he said. "The younger generation doesn't know what a credit union is; they think it's like a labor union."

He indicated there is the challenge of not just heightening the awareness of a brand in a given market, but educating the public about what a credit union really is, with lack of true understanding of eligibility requirements to become a member among the barriers to membership growth.

Parks said the same access to credit and consistency in the small business arena has been applied to its home loan department as well; this approach has enabled Centris to be the largest — in terms of dollar value — credit union in the state with regard to home loans — posting a 70 percent increase with regard to dollar value.

He said Centris, which also has branches in Grand Island North Platte, is also hosting its second free mortgage for a year giveaway, and its mortgage financing and servicing remains in-house — another confidence-booster for its customers, according to Parks.

When it comes to the brick and mortar, Parks said the focus is currently on improving existing locations — as opposed to debuting completely new branches.

"We plan to build a new location in North

Platte, and remodel our branches in Council Bluffs and South Omaha," he said.

Though, Parks said, the credit union isn't ruling out the possibility of new branches over the longer view.

"We want to add a branch in Midtown in the next year or two," he said.

In addition to improvements to existing locations, Parks said Centris will be investing

### Centris Federal Credit Union

**Phone:** 402-334-7000

**Services:** full-service credit union, including Internet banking, ATMs, checking, loans and mortgages.

**Founded:** 1934 as Omaha Telephone Employees Federal Credit Union

**Employees:** 232 (210 in Omaha metro)

**Website:** [www.centrisfcu.org](http://www.centrisfcu.org)

in e-delivery channels, adding they and other credit unions are restricted geographically by charter, which makes it all the more important for its team to "do the best job possible in this market" because they don't have unlimited access to other markets.

Centris employs 232 people, Parks noted in a recent interview. Of those employees, more than 200 are based out of the Omaha metro area.

According to organizational information, seven telephone company employees started what was later to become Centris during the Great Depression — with \$49 in deposits and an asset size approaching \$670. At the time, it was open only one day a week for a half hour. Today, it boasts more than 68,000 members, as well as around \$400 million in assets and more than \$340 million in deposits.

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