

Best Credit Union

Redwood Credit Union

By Beth Galleto

What sets a credit union apart from other financial institutions is that it has no stockholders—its members are its owners. As a local, not-for-profit financial cooperative, Redwood Credit Union (RCU) returns all of its profits to its members through lower rates on loans, higher return on investments, lower fees and more products and services.

“Credit unions were founded on the philosophy of ‘people helping people.’ Our mission is to passionately serve the best interests of our members, employees and community,” says Brett Martinez, president/CEO of Santa Rosa-based RCU.

He adds, “We’ve been a very successful credit union for a long time. In February, we were named number one SBA lender in the North Bay for the fifth consecutive quarter.”

RCU has won the “Best Credit Union” title from *NorthBay biz* readers before. It’s also earned five stars for fair and ethical practices and is listed on the “dean’s list” on creditcardconnection.org, together with a comment from personal finance expert



Redwood Credit Union's corporate offices in Santa Rosa

Suze Orman that, “I have come to believe, thanks to you, that many credit unions are more ethical and fair to their customers than banks with credit cards.”

Even in times of recession, RCU continued to help its members shore up struggling businesses. “We never stopped lending. We’ve had strong lending practices, and we’ve continued doing what we do,” says Martinez.

RCU serves anyone living, working or owning a business in eight Bay Area counties, including Sonoma, Marin, Mendocino, Napa, San Francisco, Lake, Contra Costa and Solano. Now in its 60th year, it serves nearly 150,000 members with 15 branch locations. It offers full financial services, including checking accounts, savings and investment products, consumer and real estate loans, free home banking, financial management services, retirement planning, a variety of online applications and free access to more than 28,000 ATMs nationwide. With \$1.7 billion in assets, it’s ranked the 16th largest credit union in California and the 74th largest in the country.

RCU also participates in its communities through sponsorships,

leadership and volunteerism. “A lot of people are attracted to us because our staff volunteers and has leadership roles in so many groups,” says Martinez.

Because of its emphasis on helping its customers/members, RCU, like other credit unions, is coming out ahead in today’s difficult financial situation. Martinez notes that the recession has given birth to a “go local” concept as well as a movement to transfer funds from the “too big to fail” banks to local community institutions. Both are having a large impact on RCU.

“We have new members coming in like crazy,” he says. In this time of getting back to doing business locally, and frustration around large banks, RCU and its member owners are focusing on what they do best: working together to help each other succeed. “It should always be that way,” says Martinez. “A lot of unscrupulous people took advantage of people who relied on them. That’s not what a credit union is about. People forgot that doing business with people you trust is really important.”



Brett Martinez is president/CEO of RCU.

www.redwoodcu.org

Best Company to Do Business With in Sonoma County

Redwood Credit Union

By Beth Galletto

Brett Martinez is elated that Redwood Credit Union (RCU) was voted Best Company to Do Business With in Sonoma County—this year in particular. “It’s quite an honor,” says Martinez, Redwood’s president/CEO. “We receive a lot of awards, but to receive these two [RCU also won Best Credit Union] during this challenging economic recession is especially significant to us, because it means we’re focused on the most important thing—serving people and businesses in our communities in a way that’s really making a difference.”

He notes that, while there have been many recent failures of financial institutions, RCU is doing well and remains safe and well-capitalized. “We really stuck to our mission,” which he explains as “people helping people.” A credit union is a not-for-profit cooperative. As such, its funds are returned to its members in the form of lower and fewer fees, lower loan rates, higher yields on deposits and expanded services.

The RCU website states it well: “Unlike financial institutions whose purpose is to create profit for stockholders, RCU is a financial cooperative, which means our focus is simply to serve the members who participate in our cooperative.” It continues, “Each member actually owns part of the credit union and has a voice in what we do and how we do it. We continue today to build upon a solid philosophical and business foundation that was started in 1950—treating members with respect and personal care while offering unbeatable value.”

By sticking to this mission, RCU has built up a trusted reputation throughout the community. “When we go out of the building wearing our name tags, people come up to us and tell us, ‘We love RCU.’ We hear it all the time,” says Martinez.

RCU serves residents and businesses in eight Bay Area counties, from San Francisco to Ukiah. It has 15 branches and nearly 150,000 members. The organization

offers full financial services for its members, including checking accounts, savings and investment products, consumer and real estate loans, free home banking, financial management services, small business

services, retirement planning, a variety of online applications and fee-free access to more than 28,000 ATMs nationwide. It even has its own insurance company and an auto center where members can buy from an inventory of pre-owned vehicles or track down the car of their dreams and arrange financing and insurance.

Credit unions, in general, didn’t participate in the types of activities that created the economic meltdown, says Martinez. “You read about failures all the time. We’ve stuck to our mission, which isn’t so easy in difficult times. We didn’t take bailout funds. We haven’t cut services. We’re not closing branches or laying people off. And we’ve offered seminars, financial counseling, free budgeting and personal counseling to our members. We’re tackling these problems head-on.”

What really makes its philosophy work, he says, is the people in the organization. “We really appreciate our people. Our most important decision is who we hire. We have passionate employees, and this extends to our volunteer officials—our board of directors and supervisory committee.”

As a result of the economic crunch, these carefully selected people have been working very hard lately. “We’ve been impacted as an institution. Our members have been losing jobs or having to take pay cuts. We’ve never worked harder,” Martinez says. “We’ve rolled up our sleeves and gotten to work. Helping people is our main focus. We’re helping our members



Redwood Credit Union employees take part in the national Make a Difference Day.

create budgets and learn how to cut expenses. We help them refinance their debt from other institutions. We’re focusing on dealing with issues our members are having. As a result, they recognize who we are, what we stand for and what we’re doing.”

Part of its mission is to help its communities, not just by assisting local nonprofits financially, but also by contributing sponsorships and volunteering for community causes. “A lot of people are attracted to us because our staff volunteers and has leadership roles in so many groups,” says Martinez. Last year, RCU employees and officers volunteered more than 3,100 hours and the credit union provided \$340,000 in benefits to nonprofits.

It has a separate focus on financial education, offering free seminars on a variety of topics for members and the community. The main office on Cleveland Avenue in Santa Rosa contains a large community room that nonprofits can use at no charge if they find a staff sponsor.

“The past 24 months have been a difficult time,” Martinez says. “It’s been hard on our staff, but we’ve truly made a difference in helping people manage debt, stay in their homes and stay out of bankruptcy. We go home every day knowing we truly made a difference.” RCU has made a difference that the entire community can see and appreciate.

www.redwoodcu.org