

ABC Federal Credit Union
Strategic Plan 2026-2031

1) Vision and high-level goals

Vision: Be the preferred financial partner for Baltimore’s federal workforce and their families—delivering modern, trusted, locally rooted banking that grows members’ financial security across life stages.

Five-year goals

1. **Member growth:** from ~25,000 to 40,000–45,000 members.
 2. **Asset growth:** from \$500M to \$800M–\$900M in assets.
 3. **Member financial health:** measurably improved savings and debt profiles for core members; stronger credit score distribution; reduced delinquency.
 4. **Operational strength:** maintain strong safety, soundness, and regulatory compliance aligned with NCUA priorities; invest in digital capability and data analytics.
 5. **Community resilience:** expand beyond a single employer’s risk while still serving the federal workforce niche.
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2) Growth strategy and member-growth tactics

A. Deepen penetration in the current federal-agency base

Rationale: the local federal workforce remains a significant, identifiable market. Recent federal employment data show roughly **12,700 federal government employees in Baltimore City** as of Dec 2024, offering a focused pool for outreach and partnerships. ([FRED](#))

While county numbers vary by source and time, earlier statewide employment data indicated federal employment in the broader Baltimore County area around **14,000 jobs** in 2019, underscoring regional federal presence. ([MD Labor](#))

Key tactics

1. **Employer partnership program**
 - Formal agreements with one or more federal agency offices or mission support units in Baltimore: payroll, onboarding, financial wellness seminars, special loan pricing.

- Offer streamlined membership intake at work sites or virtual onboarding timed to new hires or relocations.

2. Targeted product bundles

- Value checking + emergency savings + credit builder or discounted auto/rv/mortgage options specifically branded for federal employees.
- Time-limited membership incentive credit or reduced fees for first 6–12 months when joining from agency referrals.

3. Financial wellness and crisis support

- Regular on-site or virtual sessions timed with pay cycles, year-end taxes, or agency policy changes.
- Emergency assistance or short-term, low-interest loan options aligned to potential federal disruptions; headline as unique support for federal employees.

4. Referral and ambassador program

- Encourage existing federal-agency members to refer coworkers with bonus rewards, partner events, or community recognition.
- Track conversion rates; reward top referrers quarterly.

Metrics to track

- New members from federal agency channels per quarter.
- Share of active members from federal employer base.
- Cross-sell ratio: number of products per member among agency employees.
- Referral conversion rate and churn.

B. Expand to adjacent federal or public-sector populations

Rationale: to mitigate concentration risk and accelerate growth while staying close to mission. NCUA's strategic emphasis includes improving financial well-being and equitable access to affordable services; aligning expansion with public service populations keeps mission coherence. ([NCUA](#))

Key tactics

1. Add related public sector groups

- Federal contractors, local government employees, or municipal staff in the Baltimore metro with similar financial needs.
- Offer tailored membership routes, perhaps after initial federal base is saturated.

2. Satellite or shared-service outreach

- Use a mobile or pop-up branch near contractor hubs, training centers, or public works offices.
- Partner with local government or unions for co-branded events.

3. Graduated membership eligibility

- After stabilization of current base, open membership to broader community segments with similar income or profession profiles—while keeping benefits for federal workers distinct.

Metrics to track

- New members from adjacent groups; share of total membership.
- Cost per acquisition by channel.
- Retention and product usage after 12 months.

C. Digital and referral growth outside physical reach

Rationale: growth beyond direct employer contacts requires strong digital acquisition and word-of-mouth even for a locally focused CU.

Key tactics

1. Digital member sign-up optimized for federal users

- Quick online ID verification, pre-filled forms when coming from employer link, or secure upload of agency ID.

- Instant access to basic services and tailored recommendations for first 30 days.

2. Content strategy with practical guidance

- Blog, social media, or newsletter content focused on federal benefits, retirement planning, student loan management, relocation guidance.
- Encourage shareable content among colleagues; integrate referral prompts in content.

3. Retention and upsell automation

- Data-driven, personalized offers for credit, mortgages, or savings products based on member data, with clear value proposition for federal employees.
- Automated reminders and nudges for unused benefits or upcoming webinars.

Metrics to track

- Digital sign-ups, digital-to-in-person conversion, web traffic from employer-linked pages.
 - Open rate and click-through rate on financial education content.
 - Product take-rate from digital offers.
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3) Financial and operational targets

Yearly asset and membership milestones

- **Year 1:** stabilize, strengthen employer partnerships; net new members +10% (2,500). Assets \$520–540M.
- **Year 2–3:** ramp marketing and adjacent group expansion; net +15–20% members annually. Assets \$650–700M by end of Year 3.
- **Year 4–5:** mature new channels, deeper digital. Target 40k–45k members and \$800–900M assets.

Income, cost, and risk targets

- Maintain healthy net worth ratio consistent with regulatory safety.
- Keep delinquency and charge-off within or below peer median.
- Balance growth with strong underwriting; limit single-employer or concentration exposure; diversify loan portfolio by product type and member segments.

Operational investments

- Data analytics platform to monitor member behavior, risk, and campaign effectiveness.
 - Enhanced cybersecurity and digital banking features: multi-factor authentication, fraud alerts, robust mobile app performance.
 - Staff development, training on digital tools, compliance, and financial counseling.
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4) Member experience and differentiation

1. **Service promise** for federal workers: fast, empathetic, mission-friendly service that understands federal payroll, benefits, and potential disruptions.
 2. **Speed and transparency:** clear timelines for approvals, fair pricing, online tracking of applications.
 3. **Community identity:** periodic events, member spotlights, and service-hour recognition highlighting public service.
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5) Risk and resilience planning

A. Federal workforce volatility

- **Risk:** changes to federal employment levels, budgets, or policies can affect member income, deposits, and loans.
- **Response:** broaden membership base; maintain prudent loan-to-share ratios; hold conservative liquidity; use stress testing with scenarios of federal workforce reduction or

pay delays.

B. Economic downturn

- **Risk:** higher unemployment, increased defaults.
- **Response:** deep financial wellness, emergency savings incentives, hardship programs, early outreach to reduce losses.

C. Regulatory changes

- **Risk:** evolving compliance requirements.
 - **Response:** ongoing monitoring of NCUA priorities, regulatory updates, internal audit. The NCUA strategic plan emphasizes safety, soundness, consumer protection, and inclusion; aligning CU priorities to these themes supports readiness. ([NCUA](#))
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6) Implementation roadmap by year

Year 1

- Form strategic task force; refine brand proposition for federal workers.
- Launch flagship employer partnership(s).
- Pilot product bundles and financial wellness series.
- Implement or upgrade digital onboarding; track baseline metrics.

Year 2

- Expand to 2–3 additional federal or public-sector groups.
- Introduce referral program; strengthen content program and digital ads.
- Begin data platform build-out; automate targeted offers.

- Review and adjust lending standards; pilot new loan categories.

Year 3

- Evaluate membership growth; optimize channels based on acquisition cost and retention.
- Launch mobile or pop-up outreach; increase staff training.
- Expand credit, mortgage, and savings products with federal-friendly terms.

Year 4

- Scale successful adjacent group programs and digital acquisition nationally or regionally as allowed.
- Deepen analytics for predictive underwriting and member health scores.
- Tighten risk management; prepare for capital and liquidity adjustments if needed.

Year 5

- Consolidate gains; target 40k–45k members and \$800–900M assets.
- Review strategic plan outcomes; set next five-year goals.
- Potentially explore new markets or advanced services while preserving mission focus.

7) How to measure success holistically

- **Member growth** vs. targets; composition of new members (federal vs. adjacent).
- **Asset growth** and quality: loan-to-share ratio, delinquency, charge-off.
- **Member financial health**: savings rate, participation in financial education, reduction in delinquency among members.

- **Operational efficiency:** cost per member, cost per acquisition, digital vs. branch usage.
 - **Community impact:** number of events, wellness sessions, satisfaction surveys.
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