

# **PUBLIC DISCLOSURE**

March 1, 2021

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

City of Boston Credit Union  
Certificate Number: 67841  
One Union Street, Third Floor  
Boston, Massachusetts 02108

Division of Banks  
1000 Washington Street, 10<sup>th</sup> Floor  
Boston, Massachusetts 02118

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the Division of Banks concerning the safety and soundness of this financial institution.

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## INSTITUTION RATING

This document is an evaluation of the CRA performance of **City of Boston Credit Union (Credit Union)** prepared by the Division, the institution's supervisory agency as of **March 1, 2021**. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

**INSTITUTION'S CRA RATING:** City of Boston Credit Union is rated "**Satisfactory.**" An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the credit union's Lending Test and Community Development Test performance.

### **The Lending Test is rated Satisfactory.**

- City of Boston Credit Union's average net loan-to-share ratio is reasonable given the institution's size, financial condition, and credit needs of its assessment area.
- A majority of the credit union's loans are inside the assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels (including low- and moderate-income).
- The credit union has not received any CRA-related complaints since the last CRA evaluation.
- Fair lending policies and procedures are adequate.

### **The Community Development Test is rated Satisfactory.**

- The credit union demonstrated reasonable responsiveness to the community development needs of its assessment area through qualified donations, investments, and community development services, as appropriate. Examiners considered the institution's capacity, and the need and availability of such opportunities throughout the assessment area.

## **SCOPE OF EVALUATION**

### **General Information**

The Community Reinvestment Act (CRA) requires the Massachusetts Division of Banks (“Division”) to use their authority when examining financial institutions subject to their supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its membership.

This evaluation covers the period from December 18, 2017, to the current evaluation dated March 1, 2021. Examiners used the Interagency Intermediate Small Institution (ISI) Examination Procedures to evaluate City of Boston Credit Union’s performance. These procedures include two tests: the Lending Test and the Community Development Test.

The evaluation references demographic and economic information from the 2015 American Community Survey (ACS) and the U.S. Bureau of Labor Statistics (BLS). Credit Union financial data reflects the December 31, 2020 Call Report.

### **Activities Reviewed**

Examiners determined the credit union’s major product line is home mortgage loans. This conclusion considered the credit union’s business strategy and the number and dollar volume of loans originated during the evaluation period.

The evaluation considered all home mortgage loans reported on the credit union’s 2018 and 2019 Home Mortgage Disclosure Act (HMDA) Loan Application Registers. In 2018, the credit union originated 193 loans totaling \$45.6 million and in 2019, the credit union originated 198 loans totaling \$43.7 million. For comparison purposes, examiners reviewed 2018 and 2019 HMDA aggregate data and 2015 ACS data.

Examiners reviewed the number and dollar volume of home mortgage loans. While the number and dollar volume of loans are presented, examiners emphasized performance by the number of loans because the number of loans is a better indicator of the number of individuals served.

## **DESCRIPTION OF INSTITUTION**

### **Background**

Chartered by the Commonwealth of Massachusetts in 1915, City of Boston Credit Union is a member-owned organization established in Boston, Massachusetts. The credit union was designated as a Low-Income Credit Union by the Division of Banks and the National Credit Union Administration (NCUA) on July 10, 2014. Eligibility is based on the majority of the Credit Union's membership qualifying as low-income. Membership at City of Boston Credit Union is open to individuals who live, work, or attend school in Middlesex, Norfolk, or Suffolk counties, organization members located in Middlesex, Norfolk, or Suffolk counties, employees and pensioners of Factory Mutual Insurance Company (FM Global), students, staff, overseers, and alumni of Northeastern University, employees of the City of Boston, the Commonwealth of Massachusetts, or any department, commission, or authority within the Commonwealth of Massachusetts, and family members of those who fit the preceding criteria.

Since the previous examination, the credit union has undergone two mergers. In 2019, the credit union merged with Chadwick Federal Credit Union (Norwood) and Northeastern University Federal Credit Union (Boston). City of Boston Credit Union expanded its membership to include all of Middlesex County, the employees of FM Global, and the students, staff, overseers, and alumni of Northeastern University.

The credit union has 30,848 members as of December 31, 2020. The credit union received a "Satisfactory" rating from the Massachusetts Division of Banks during its prior evaluation on December 18, 2017.

### **Operations**

The credit union's administrative office is located at One Union Street in Boston. City of Boston Credit Union operates six full-service branches. These are located at Boston City Hall, on Westland Avenue in Boston, Canton, Dorchester, South Boston, and West Roxbury. The credit union also operates two branches restricted to FM Global employees located in Norwood, Massachusetts and Johnston, Rhode Island. Since the last examination, the credit union has added the full-service Fenway neighborhood branch and the two locations restricted to FM Global employees as a result of two separate mergers.

Most branches are open from 8:00 AM to 5:00 PM Monday through Friday and from 8:00 AM to Noon on Saturdays. The Boston City Hall branch is open Tuesday and Thursday 9:00 AM to 4:00 PM and Friday 8:00 AM to 4:00 PM. Every full-service branch is equipped with an ATM. Two interactive teller machines are located at the Fenway neighborhood branch. The credit union also operates eighteen additional stand-alone ATMS throughout the assessment area. In addition, the credit union is a member of the SUM Network.

The credit union offers the following products and services to its members: checking accounts, savings accounts, money market accounts, certificates of deposit, individual retirement accounts, and saving and club accounts. It also provides its members with mortgage loans, home equity loans and lines of credit, auto loans, home improvement loans, personal loans, tuition loans,

secured loans, overdraft protection, ATM/debit cards, credit cards and online banking with bill pay.

**Ability and Capacity**

As of December 31, 2020, assets totaled approximately \$533.4 million and shares totaled \$443.7 million. Total loans were \$319.4 million, representing approximately 59.9 percent of total assets. Since the previous CRA evaluation, assets increased 27.8 percent and the lending portfolio increased 4.8 percent. The large asset growth can be attributed to merger activity and stimulus check receipts.

The following table illustrates the distribution of the credit union’s loan portfolio.

<b>Loan Portfolio Distribution as of 12/31/2020</b>		
<b>Loan Category</b>	<b>\$</b>	<b>%</b>
Unsecured Credit Card Loans	4,749,465	1.5
Non-Federally Guaranteed Student Loans	3,043,245	0.9
Unsecured Loans/Lines of Credit	61,446,204	19.1
New Vehicle Loans	10,810,324	3.4
Used Vehicle Loans	9,301,535	2.9
Secured Non-Real Estate Loans/Lines of Credit	667,033	0.2
Total Loans/Lines of Credit Secured by 1 <sup>st</sup> Lien 1-4 Family Residential	201,624,085	62.7
Total Loans/Lines of Credit Secured by Junior Lien 1-4 Family Residential	29,715,003	9.3
All Other Real Estate Loans/Lines of Credit	0	0.0
Commercial Loans/Lines of Credit Real Estate Secured	0	0.0
Commercial Loans/Lines of Credit Not Real Estate Secured	0	0.0
<b>Total Loans</b>	<b>321,356,885</b>	<b>100.0</b>
<i>Source: Reports of Income and Condition</i>		

Examiners did not identify any financial, legal, or other impediments that affect the credit union’s ability to meet assessment area credit needs.

## **DESCRIPTION OF ASSESSMENT AREA**

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. City of Boston Credit Union designated a single assessment area encompassing all cities and towns within Norfolk and Suffolk Counties.

### **Economic and Demographic Data**

The AA includes 334 census tracts. These tracts reflect the following income designations according to the 2015 ACS U.S. Census:

- 48 low-income tracts,
- 76 moderate-income tracts,
- 94 middle-income tracts,
- 103 upper income tracts, and
- 13 tracts without an income designation.

The census tracts representing N/A are within the City of Boston and include the Boston Harbor Islands, Boston Common, and Franklin Park Zoo, college and university campuses and several parks.

The following table illustrates select demographic characteristics of the assessment area.

<b>Demographic Information of the Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	334	14.4	22.8	28.1	30.8	3.9
Population by Geography	1,446,640	11.9	24.2	29.8	33.6	0.6
Housing Units by Geography	593,783	10.7	24.0	30.7	33.9	0.7
Owner-Occupied Units by Geography	284,163	3.8	16.9	34.6	44.3	0.4
Occupied Rental Units by Geography	272,054	17.6	31.0	27.2	23.3	0.9
Vacant Units by Geography	37,566	13.6	27.2	26.4	31.7	1.1
Businesses by Geography	140,345	6.9	15.8	24.5	51.8	1.0
Farms by Geography	1,668	2.4	13.2	30.3	53.8	0.2
Family Distribution by Income Level	317,929	25.8	15.4	17.6	41.2	0.0
Household Distribution by Income Level	556,217	28.8	13.7	15.2	42.4	0.0
Median Family Income MSA - 14454 Boston, MA		\$90,699	Median Housing Value			\$428,362
			Median Gross Rent			\$1,326
			Families Below Poverty Level			9.8%
<i>Source: 2015 ACS and 2020 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Federal Financial Institutions Examination Council (FFIEC) updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Boston, MA MD Median Family Income (14454)</b>				
2018 (\$99,300)	<\$49,650	\$49,650 to <\$79,440	\$79,440 to <\$119,160	≥\$119,160
2019 (\$105,500)	<\$52,750	\$52,750 to <\$84,400	\$84,400 to <\$126,600	≥\$126,600
2020 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
<i>Source FFIEC</i>				



## **Competition**

Competition in the assessment area is robust. The credit union competes directly with other local credit unions, community banks small and large, as well as larger national banks and mortgage companies that ranked above City of Boston Credit Union.

## **Community Contact**

As part of the evaluation process, examiners contact third parties active in the assessment area to help assess the credit and community development needs. The information obtained helps examiners determine whether local financial institutions are responsive to these needs and what credit and community development opportunities, if any, are available.

Examiners met with a representative of a non-profit affordable housing and neighborhood revitalization organization that is active in the credit union's assessment area. The Boston-based organization serves low- and moderate-income individuals and families by encouraging the production and preservation of housing that is affordable to low- and moderate-income families and individuals, and by fostering diverse and sustainable communities through planning and community development. The contact identified affordable housing as a significant challenge in the area due to the lack of available affordable housing units. The contact also mentioned the need for continued focus on financial education to be provided by local institutions.

## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

City of Boston Credit Union demonstrated reasonable performance under the Lending Test. Loan-to-Share Ratio, Assessment Area Concentration, and Geographic Distribution performance primarily support this conclusion.

### Loan-to-Share Ratio

This performance criterion determines what percentage of the credit union's share base is reinvested in the form of loans. The average net loan-to-share ratio for the last eight quarters is reasonable given the institution's size, financial condition, and AA credit needs.

The credit union's net LTS ratio, as calculated from the NCUA 5300 Quarterly Call Report data, averaged 85.9 percent over the past eight calendar quarters from March 31, 2019 through December 31, 2020. The ratio ranged from a high of 95.1 percent as of March 31, 2019 to a low of 72.0 percent as of December 31, 2020, showing a decreasing trend during the evaluation period. The drop in LTS ratio can be attributed to stimulus check receipts.

The credit union's average LTS ratio over the previous eight quarters was compared to that of two similarly situated institutions. The institution selection is based on geographic location and lending focus. City of Boston Credit Union's average LTS ratio is comparable to these two institutions.

<b>Loan-to-Share Ratio Comparison</b>		
<b>Institution</b>	<b>Total Assets as of 12/31/2020 (\$000s)</b>	<b>Average Net LTS Ratio (%)</b>
City of Boston Credit Union	533,412,055	85.9
Liberty Bay Credit Union	701,131,907	93.4
Quincy Credit Union	669,046,627	68.2

*Source: Reports of Income and Condition 3/31/2019 through 12/31/2020*

### Assessment Area Concentration

A majority of the credit union's lending activity occurs within its assessment area.

<b>Lending Inside and Outside of the Assessment Area</b>										
<b>Loan Category</b>	<b>Number of Loans</b>				<b>Total #</b>	<b>Dollar Amount of Loans \$(000s)</b>				<b>Total \$(000s)</b>
	<b>Inside</b>		<b>Outside</b>			<b>Inside</b>		<b>Outside</b>		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2018	147	76.2	46	23.8	193	35,415	77.6	10,200	22.4	45,615
2019	167	84.3	31	15.7	198	36,685	83.9	7,055	16.1	43,740
<b>Total</b>	<b>314</b>	<b>80.3</b>	<b>77</b>	<b>19.7</b>	<b>391</b>	<b>72,100</b>	<b>80.7</b>	<b>17,255</b>	<b>19.3</b>	<b>89,355</b>

*Source: Evaluation Period: 1/1/2018 - 12/31/2019 Credit Union Data  
Due to rounding, totals may not equal 100.0*

## Geographic Distribution

Considering the credit union's assessment area demographics, aggregate data, and performance context factors, the distribution of home mortgage loans reflects reasonable penetration in the low- and moderate-income geographies.

In 2018, the credit union's lending at 8.1 percent was above the aggregate at 4.9 percent and above the percentage of owner occupied housing at 3.8 percent within low-income census tracts. In 2019, the credit union's percentage of loans in low-income census tracts decreased to 6.0 percent. This was above both the percentage of owner occupied housing and the aggregate performance of 4.4 percent.

In 2018, the credit union's lending of 20.4 percent was above the aggregate at 19.3 percent and above the percentage of owner occupied housing at 16.9 percent within moderate-income census tracts. In 2019, the credit union's lending to moderate-income census tracts decreased to 15.0 percent. This trailed both the percentage of owner-occupied housing and the aggregate performance at 18.0 percent. Please refer to the table below for more information.

<b>Geographic Distribution of Home Mortgage Loans</b>						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>						
2018	3.8	4.9	12	8.1	3,450	9.7
2019	3.8	4.4	10	6.0	2,050	5.6
<b>Moderate</b>						
2018	16.9	19.3	30	20.4	6,280	17.7
2019	16.9	18.0	25	15.0	5,005	13.6
<b>Middle</b>						
2018	34.6	33.3	68	46.3	17,470	49.3
2019	34.6	33.3	89	53.3	19,515	53.2
<b>Upper</b>						
2018	44.3	41.9	37	25.2	8,215	23.2
2019	44.3	43.8	43	25.8	10,115	27.6
<b>Not Available</b>						
2018	0.4	0.6	0	0.0	0	0.0
2019	0.4	0.5	0	0.0	0	0.0
<b>Totals</b>						
<b>2018</b>	<b>100.0</b>	<b>100.0</b>	<b>147</b>	<b>100.0</b>	<b>35,415</b>	<b>100.0</b>
<b>2019</b>	<b>100.0</b>	<b>100.0</b>	<b>167</b>	<b>100.0</b>	<b>36,685</b>	<b>100.0</b>
<i>Source: 2015 ACS Census; 1/1/2018 - 12/31/2019 Credit Union Data, 2018 &amp; 2019 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i>						

## **Borrower Profile**

The distribution of home mortgage loans reflects reasonable penetration to individuals of different income levels.

In 2018, the credit union originated 1.4 percent of loans to low-income borrowers, which was below the aggregate at 4.2 percent. For the same year, the credit union originated 15.7 percent to moderate-income borrowers, which was above the aggregate at 13.9 percent.

In 2019, the credit union made 2.4 percent of loans to low-income borrowers which was below the aggregate at 3.6 percent. For the same year, the credit union originated 15.6 percent of loans to moderate-income borrowers, which is comparable to the percentage of families and was above the aggregate. Please refer to the table below for more information.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>						
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>						
2018	25.8	4.2	2	1.4	290	0.8
2019	25.8	3.6	4	2.4	510	1.4
<b>Moderate</b>						
2018	15.4	13.9	23	15.7	4,375	12.4
2019	15.4	14.2	26	15.6	5,370	14.6
<b>Middle</b>						
2018	17.6	21.5	35	23.8	7,805	22.0
2019	17.6	21.4	37	22.2	8,165	22.3
<b>Upper</b>						
2018	41.2	47.5	87	59.2	22,945	64.8
2019	41.2	47.5	100	59.9	22,640	61.7
<b>Not Available</b>						
2018	0.0	12.9	0	0.0	0	0.0
2019	0.0	13.3	0	0.0	0	0.0
<b>Totals</b>						
<b>2018</b>	<b>100.0</b>	<b>100.0</b>	<b>147</b>	<b>100.0</b>	<b>35,415</b>	<b>100.0</b>
<b>2019</b>	<b>100.0</b>	<b>100.0</b>	<b>167</b>	<b>100.0</b>	<b>36,685</b>	<b>100.0</b>
<i>Source: 2015 ACS Census; 1/1/2018 - 12/31/2019 Credit Union Data, 2018 &amp; 2019 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i>						

## **Response to Complaints**

The credit union did not receive any CRA-related complaints during the evaluation period.

## **Discriminatory or Other Illegal Credit Practices**

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the credit union's overall rating.

## **Fair Lending Policies and Procedures**

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. A review of the credit union's public comment file indicated the credit union received no complaints pertaining to the institution's CRA performance since the previous examination. Examiners conducted the fair lending review in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, examiners did not identify any evidence of disparate treatment.

### ***Minority Application Flow***

The credit union's HMDA LARs for 2018 and 2019 were reviewed to determine if the application flow from the different racial groups within the credit union's assessment area was reflective of the assessment area's demographics.

According to the 2015 ACS Census Data, the credit union's assessment area contained a total population of 1.4 million individuals, of which 39.2 percent are minorities. The minority population represented is 13.8 percent Black/African American, 9.4 percent Asian, 0.1 percent American Indian, 12.8 percent Hispanic or Latino, and 3.1 percent other.

The credit union's level of lending in 2018 and 2019 was compared with that of the 2018 and 2019 aggregate's lending performance. The comparison of this data assists in deriving reasonable expectations for the rate of applications the credit union received from minority home mortgage loan applicants.

In 2018, the credit union received 158 HMDA-reportable loan applications from within its assessment area. Of these applications, the credit union received 31, or 19.6 percent, from minority applicants; 29 of which were originated. Compared to aggregate data, which indicates 20.1 percent of applications received were from minority applicants, of which, 52.9 percent were originated. For the same period, 12 applications, representing 7.6 percent of total applications, were received from ethnic groups of Hispanic origin within the assessment area, 11 of which were originated. The aggregate data indicates 6.8 percent of total applications were received from this ethnic group in the assessment area, of which 49.7 percent were originated.

In 2019, the credit union received 174 HMDA-reportable loan applications from within its assessment area. Of these applications, the credit union received 41, or 23.6 percent, from minority applicants; 36 of which were originated. Compared to aggregate data, which indicates 17.9 percent of applications received were from minority applicants, of which 59.6 percent were originated. For the same period, 16 applications, representing 9.2 percent of total applications, were received from ethnic groups of Hispanic origin within the assessment area, 14 of which

were originated. The aggregate data indicates 6.6 percent of total applications were received from this ethnic group in the assessment area, of which 51.9 percent were originated.

Refer to the table below for information on the credit union’s minority application flow as well as the aggregate lenders in the credit union’s assessment area.

<b>MINORITY APPLICATION FLOW</b>						
<b>RACE</b>	<b>Credit Union 2018</b>		<b>2018 Aggregate Data</b>	<b>Credit Union 2019</b>		<b>2019 Aggregate Data</b>
	<b>#</b>	<b>%</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>%</b>
American Indian/ Alaska Native	0	0.0	0.4	0	0.0	0.2
Asian	1	0.6	9.8	2	1.2	8.8
Black/ African American	25	15.8	7.8	31	17.8	6.9
Hawaiian/Pacific Islander	0	0.0	0.3	1	0.6	0.2
2 or more Minority	0	0.0	0.2	0	0.0	0.2
Joint Race (White/Minority)	5	3.2	1.6	7	4.0	1.6
<b>Total Minority</b>	<b>31</b>	<b>19.6</b>	<b>20.1</b>	<b>41</b>	<b>23.6</b>	<b>17.9</b>
White	122	77.2	57.2	132	75.8	57.6
Race Not Available	5	3.2	22.7	1	0.6	24.5
<b>Total</b>	<b>158</b>	<b>100.0</b>	<b>100.0</b>	<b>174</b>	<b>100.0</b>	<b>100.0</b>
<b>ETHNICITY</b>						
Hispanic or Latino	<b>10</b>	<b>6.3</b>	<b>5.6</b>	<b>12</b>	<b>6.9</b>	<b>5.5</b>
Not Hispanic or Latino	139	88.0	70.2	157	90.2	68.7
Joint (Hisp/Lat /Not Hisp/Lat)	<b>2</b>	<b>1.3</b>	<b>1.2</b>	<b>4</b>	<b>2.3</b>	<b>1.1</b>
Ethnicity Not Available	7	4.4	23.0	1	0.6	24.7
<b>Total</b>	<b>158</b>	<b>100.0</b>	<b>100.0</b>	<b>174</b>	<b>100.0</b>	<b>100.0</b>

Considering the demographic composition of the assessment area and comparisons to aggregate data, the credit union’s minority application flow is adequate.

### **COMMUNITY DEVELOPMENT TEST**

City of Boston Credit Union demonstrated reasonable responsiveness to the assessment area’s community development needs through qualified community development loans, qualified investments and community development services. Examiners considered the institution’s capacity and the need and availability of such opportunities for community development in the assessment area.

#### **Qualified Investments**

City of Boston Credit Union made 204 qualified investments totaling \$388,308. This dollar amount is solely comprised of grants and donations that benefitted the assessment area. These qualified investments demonstrate the credit union’s responsiveness to the needs of the low- and moderate-income community within the assessment area. The following table illustrates community development investments by year and purpose.

Qualified Community Development Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$	#	\$	#	\$	#	\$	#	\$
12/18/2017 – 12/31/2017	0	0	3	1,500	0	0	0	0	3	1,500
2018	5	16,750	62	95,275	1	500	0	0	68	112,525
2019	3	16,200	76	110,375	1	500	0	0	80	127,075
2020	2	6,200	45	130,558	0	0	3	10,250	50	147,008
2021 YTD	0	0	3	650	0	0	0	0	3	650
<b>Total</b>	<b>10</b>	<b>39,150</b>	<b>188</b>	<b>333,358</b>	<b>2</b>	<b>1,000</b>	<b>3</b>	<b>10,250</b>	<b>204</b>	<b>388,308</b>

Source: Credit Union Records

Below are notable examples of the credit union’s qualified investment activities:

- ***Boston Resiliency Fund*** – In response to the Covid-19 Pandemic, the credit union donated to the City of Boston’s Boston Resiliency Fund. The fund provides food for children and seniors, technology for remote learning for students, and supports public health in the City of Boston.
- ***Commission on Affairs of the Elderly*** – The credit union made several donations to the City of Boston’s Boston Resiliency Fund. The Commission provides a range of services to the cities older adults including assistance with applying for government benefits, housing advice, transportation options, and food services.
- ***Fourth Presbyterian Church’s Food Pantry*** – During the evaluation period, the credit union made a donation to the Fourth Presbyterian Church’s food pantry. The food pantry serves those facing food scarcity in the South Boston Community.
- ***South Boston Neighborhood Development Corporation*** – During the evaluation period, the credit union made several donations to the South Boston Neighborhood Development Corporation. The organization preserves and constructs affordable housing in the South Boston Neighborhood.

### Community Development Services

City of Boston Credit Union provides community development services in the form of employee involvement, educational seminars, and other services. The following list is a sample of the credit union’s involvement in community development services during the evaluation period.

#### ***Employee Involvement***

- **Bank On Boston** - The Bank On Boston Coalition brings together government agencies

(City, State, and Federal), financial institutions, and community organizations to guide Bank On Boston. Together, the Coalition analyzes the landscape of financial services offered throughout the city, gathers resident input, and establishes program processes and policies. The Coalition is led by the City of Boston Mayor's Office of Financial Empowerment and the City of Boston Mayor's Office of New Urban Mechanics. The Credit Union is a Member of the Coalition. A Vice President of the credit union is a team member and serves on the marketing committee.

- **Massachusetts Affordable Housing Alliance (MAHA)** - MAHA educates and mobilizes individuals and communities to increase affordable and sustainable home ownership across Massachusetts. MAHA's activities range from grassroots activism to homebuyer classes. A Vice President of the credit union serves on the organization's fundraising committee.

### *Educational Seminars*

Credit Union management and staff participated in 72 financial literacy workshops with qualified community organizations.

- **Gavin House** – Gavin House is a recovery home for adult men seeking to recover from the effects of alcohol and drug abuse. The organization aims for the restoration of dignity and self-respect in an understanding, supportive, and home-like environment. Credit Union personnel conducted financial education seminars at Gavin House in 2018, 2019, 2020, and 2021.
- **Boston Centers for Youth and Families (BCYF)** – The mission of the BCYF is to enhance the quality of life for Boston residents by partnering with community center councils, agencies, and businesses to support neighborhood needs. Credit union personnel conducted financial education workshops on a variety of topics with the BCYF in 2019 and 2020.



## GLOSSARY

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Area Median Income:** The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment Area:** A geographic area delineated by the institution under the requirements of the Community Reinvestment Act.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

**Family Income:** Includes the income of all members of a family that are age 15 and older.

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Full-Scope Review:** A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

**Home Mortgage Disclosure Loan Application Register (HMDA LAR):** The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

**Home Mortgage Loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans to purchase manufactured homes, and refinancing of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Household Income:** Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households are only one person, median household income is usually less than median family income.

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Limited-Scope Review:** A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Median Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

**Micropolitan Statistical Area:** CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

**Middle-Income:** Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

**Moderate-Income:** Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area:** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Rated Area:** A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic

branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

**Small Business Loan:** A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

**Small Farm Loan:** A loan included in “loans to small farms” as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

**Underserved Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

**Upper-Income:** Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

**Urban Area:** All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

## PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, require all financial institution to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (One Union St, Third Floor, Boston, MA 02108).

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agencies, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.