



# 61<sup>ST</sup> ANNUAL MEETING

LA VISTA POLICE DEPARTMENT COMMUNITY ROOM

**MARCH 7, 2019**

POLICE FEDERAL CREDIT UNION • OMAHA

## AGENDA

- **Invocation**
- **Pledge of Allegiance**
- **Call Meeting to Order**
- **Observe Moment of Silence for Departed Members**
- **Introductions**
- **Approve Minutes of the 60<sup>th</sup> Annual Meeting**
- **Chairman & President's Report**
- **Supervisory Committee Report**
- **Treasurer's Report**
- **Nominating Committee Report**
- **State of the Credit Union Address**
- **Communications**
- **Unfinished Business**
- **New Business**
- **Adjournment**
- **Prize Drawings**

## Board Members

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John Friend	Chairman
Colleen Macdonald	Vice Chair
Mike Butera	Secretary
Kathryn Cooper	Director
Bob Lausten	Director
Kevin Pokorny	Director
Ed Reyes	Director

## Supervisory Committee

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Trevor O'Brien	Chairman
Jennifer Bogdanoff	Committee Member
Jeremy Kinsey	Committee Member
Kurt Stroehrer	Committee Member
Scott Wagner	Committee Member

## Staff

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Mary Johnson	CEO
Darrin Engleman	Executive Vice President
Tiffany Michel	Vice President, Lending
Nancy	Executive Assistant
Sherri	Data Processing Administrator
Ed	Mortgage Loan Officer
Tara	Business Development Loan Officer
Mary	Loan Officer
Janne	Loan Processor
Tammy	Member Services Supervisor
Deb	Senior Member Service Representative
Barry	Member Service Representative
Kelly	Member Service Representative
Shelby	Member Service Representative
Stephanie	Member Service Representative

## Chairman and CEO Report

Thank you for joining us this evening for the 61st annual meeting of Police Federal Credit Union of Omaha. The credit union enjoyed a year of growth in 2018. We saw both a growth in membership, as well as growth in the products & services we offer our members.

### BLUE FAMILY

Our Blue Family increased by 2.58% in 2018. We attribute this growth to a number of factors; including:

- attending new recruit classes
- attending local law enforcement events
- a consistent branding effort of the Blue Family on all marketing material



#### Immediate family members of sworn law enforcement would include:

GRANDPARENTS

PARENTS OR MOTHER-IN-LAW/FATHER-IN-LAW

**SWORN LAW ENFORCEMENT - ELIGIBLE MEMBER**

SPOUSE OR SIBLINGS

CHILDREN

GRANDCHILDREN



### BLUE MONEY MANAGEMENT

We launched Blue Money Management, an online financial tool that allows members to manage all aspects of their finances in one place. Watch for Blue Money Management to be launched on PFCU's Mobile Banking App later this year!



**Comprehensive online financial tool that will allow you to manage ALL aspects of your finances in ONE CONVENIENT LOCATION.**

Manage All Your Financial Accounts Together (PFCU & Other Institutions)

- Monitor All Cash Flow
- Complete Budgeting of Income & Expenses
- Set & Track All Financial Goals
- Calculate Total Net Worth

## **ATMS**

2018 saw an increase in the number of FREE ATM options available to our members.

We now proudly offer more than 90,000 surcharge FREE ATMs:

30,000+	CO-OP ATMs	40,000 +	Star ATMs
20,000+	Cash Corner ATMs	8	Credit Union Owned ATMs

## **BLUE REVIEW**

We implemented Blue Review, a one-on-one program which allows members to meet with staff to review and discuss their current financial situation, and establish plans to help them meet their financial goals.



### **Schedule Your BLUE REVIEW**

**Need some information or clarification on your finances?  
A Blue Review can help you:**

- ✓ Save money by refinancing debt
- ✓ Develop a plan for paying off student loans
- ✓ Refinance or finance a new car
- ✓ Understand the steps to buying first or next home
- ✓ Create a plan for saving


## **LINE OF DUTY DEATH LOAN PROTECTION**

We partnered with AM Trust to provide a special debt-cancellation benefit exclusively for members who serve as law enforcement officers.

### **LINE OF DUTY DEATH LOAN PROTECTION**

at **NO COST** to members who are active, full-time  
Sworn Peace Officers & have the following qualifying loans:

- 15 year 1st Mortgage Loans with 20% down payment originated and retained at the credit union.
- Newly established Second Mortgage or Home Equity Line of Credit loan in excess of \$50,000.
- Automobile loans in excess of \$25,000 not booked via the CUDL loan delivery channel.
- Once covered, LODD Protection will cover ALL debts at the credit union up to a combined maximum of \$850,000.



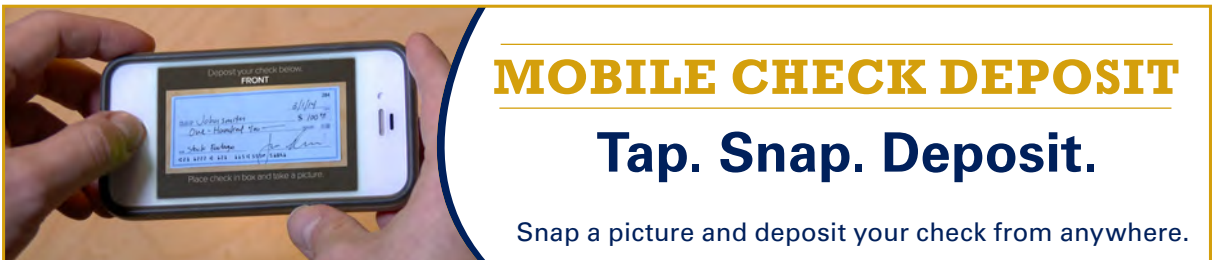
## **ID THEFT**

In 2018, we continued our commitment to taking an active role in protecting our members' finances and identities with ID Theft Protection.



### **We're proud to provide our members with the following products and services:**

- APB Online Bill Pay
- Auto Loans
- Blue Money Management
- Blue Review
- Consumer Loans
- CUFFS Online Banking
- Direct Deposit
- E-Statements
- Extended Vehicle Warranty Coverage
- Guaranteed Asset Protection
- Id Theft Protection
- LODD Loan Protection
- Mobile Banking App
- Mobile Check Deposit
- Mortgage Loans
- Popmoney
- Recreational Loan
- Shared Branching
- TruStage Insurance



As you can see, 2018 was a successful & progressive year for YOUR credit union, thanks to the dedication of our staff, as well as the continued commitment of our members. We look forward to what 2019 has in store for Police Federal Credit Union of Omaha, and can't wait to share the journey with you.

Sincerely,

John M. Friend, Chairman  
Mary L Johnson, CEO

## Supervisory Committee Report

As you see in the financial report, the credit union's financial status is doing very well and continues to improve. The credit union has over \$67 million in assets reported in the Financial Report. Your Supervisory Committee's purpose is to monitor the activities of the Police Federal Credit Union and is responsible for ensuring that the financial condition of the credit union is accurately and fairly presented in the credit union's financial statements and the credit union's management practices and procedures are sufficient to safeguard members' assets. To ensure that an effective system of internal controls is in place, the Supervisory Committee, in random sequence throughout the year, conducts unannounced cash drawer audits, vault counts, file maintenance report audits, compliance checks of the various departments within the credit union, loan reviews, and the overall security of all facilities. The Supervisory Committee also conducts and arranges audits to ensure compliance with the Bank Secrecy Act (BSA). The BSA includes monitoring all wire transfers, Suspicious Activity Reports (SAR) and completion of the BSA Checklist for Compliance. This audit insures correct policies and procedures are in place to protect the credit union. These audits will continue in 2019.

In addition, the Supervisory Committee arranges for a yearly independent audit by an accounting firm and reviews the results with the auditors. Massman, Nelson and Reinig PC conducted

the 2018 audit. The NCUA (National Credit Union Administration) also conducted the annual examination in the Spring of 2018. In summary, both audits found the Police Federal Credit Union in sound financial shape. The Supervisory Committee will be contracting again this year with Massman, Nelson and Reinig PC accounting firm to conduct an independent audit before year's end.

Based on the various reviews and audits conducted by the Supervisory Committee, it is our opinion that the Police Federal Credit Union Management and Board of Directors are meeting all compliance regulations.

We acknowledge the efforts of the Board of Directors and the Credit Union Management. We believe they are making sound decisions that are in the best interest of the members of the Police Federal Credit Union.

Supervisory Committee:

Trevor O'Brien, Chairman  
Jeremy Kinsey  
Jennifer Bogdanoff  
Kurt Stroehler  
Scott Wagner



## 2018 Statement of Financial Condition (December 31, 2018)

### Assets:

Loans	42,429,654
Loan Loss Allowance	(90,122)
Cash	793,700
Investments	22,027,033
Fixed Assets	599,358
Other Assets	\$2,193,238

**Total Assets** **\$67,952,861**

### Liabilities Savings and Equity:

Total Liabilities	8,518
Regular Share Accounts	24,853,020
Certificates	4,974,696
IRAs	2,219,103
PMA's	17,472,586
Real Estate Escrows	303,127
Share Drafts	12,416,610
Regular Reserve	3,577,900
Undivided Earnings	2,127,301
Other Liab. and Equity	0

**Total Liabilities and Equity** **\$67,952,861**

### Income:

Interest on Loans	1,703,373
Income from Investing	367,085
Other Operating Income	659,987

**Total Income** **\$2,730,445**

### Cost of Funds:

**Dividends** **156,854**

### Expenses:

Salaries and Benefits	1,148,586
Travel and Conferences	18,576
Association Dues	27,118
Office Occupancy	133,817
Office Operations	229,609
Education/Promotion	75,508
Loan Servicing	406,032
Professional Services	307,966
Provision for Loss	36,274
Cash Over and Short	(52)
Interest on Borrowed Funds	0
Annual Meeting	1,958
Federal Operating Fee	16,807
Nonoperating (Income/Exp)	0
Gain/Loss on Investments	(39,044)

**Total Expenses** **\$2,520,009**

**Transfer to Undivided Earnings** **\$210,437**



## **Minutes of the Omaha Police Federal Credit Union's 60<sup>th</sup> Annual Business Meeting • March 8, 2018**

CEO Mary Johnson conducted the invocation at 7:00 p.m.

CEO Mary Johnson led the group with the Pledge of Allegiance.

Chairman John Friend called the business meeting to order at 7:02 p.m. A moment of silence was observed for our departed members.

Chairman Friend introduced the Board of Directors and the Supervisory Committee members who were present.

CEO Mary Johnson introduced staff in attendance.

CEO Johnson noted that there was a quorum with 49 members present.

Fran Gallo made motion, seconded by Jeremy Kinsey, to approve the minutes of the 59th Annual Meeting of the Omaha Police Federal Credit Union, which was held March 9, 2017. Motion carried.

Tara Gorman made motion, seconded by Karl Meister, to accept the reports of the Chairman, President, Supervisory Committee, and Treasurer. Motion carried.

CEO Mary Johnson gave the Nominating Committee Report and introduced the incumbents: John Friend, Colleen Macdonald, Bob Lausten, and Kevin Pokorny. It was noted that the incumbents were running unopposed, and would recommend a motion to elect by acclamation.

The nominating committee made motion, seconded by Tara Gorman, to elect the nominees by acclamation. Motion carried.

Chairman Friend introduced speaker Brandon Luetkenhaus, Chief Advocacy Officer of the Nebraska

Credit Union League. Brandon spoke of the state of credit unions in Nebraska and how our Nebraska Senators fight for our existence on Capitol Hill.

CEO Mary Johnson discussed Communication items: LODD Insurance and our new money management service, Blue Money Management.

Chairman Friend asked for unfinished business. There being none.

Chairman Friend asked for new business, with none from the floor.

Chairman Friend presented credit union service awards to Sherri Van Voltenberg and Nancy Eisenberger; Sherri for 20 years of service, and Nancy for 15 years of service.

CEO Mary Johnson introduced Sharon Sklenar to present the Robert Sklenar Memorial Scholarships. A total of \$3,000.00 was awarded to five recipients by the scholarship committee consisting of Mike Butera, Katie Cooper, Colleen Macdonald, and Darrin Engleman. Award winners are Megan Pokorny, daughter of Kevin and Kim Pokorny; Braedyn Lenker, daughter of Gary and Tari Lenker; Trent Sakalauskas, son of Christi Sakalauskas; Kyle Letak, son of James and Tracy Letak; and Nicholas Soltys, (not in attendance) son of Pat and Dina Soltys.

The 60th Annual Meeting of the Omaha Police Federal Credit Union was adjourned at 7:24 p.m.

CEO Mary Johnson asked all Board Members to come forward for the Oath of Office pledge lead by Supervisory Committee member Jeremy Kinsey.

Prize drawings were held with Chairman John Friend facilitating.

John thanked everyone for attending.