



63RD

VIRTUAL ANNUAL MEMBERSHIP MEETING

MARCH 18, 2021

POLICE FEDERAL CREDIT UNION OF OMAHA

AGENDA

- **Invocation**
- **Pledge of Allegiance**
- **Call Meeting to Order**
- **Observe Moment of Silence for Deceased Members**
- **Introductions**
- **Approve Minutes of the 62nd Annual Meeting**
- **Chairman & CEO Report**
- **Supervisory Committee Report**
- **Financial Report**
- **Nominating Committee Report**
- **Communications**
- **Unfinished Business**
- **New Business**
- **Adjournment**

Board Members

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

Supervisory Committee

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

Staff

Mary Johnson	CEO
Darrin Engleman	Executive Vice President
Tiffany Michel	Vice President, Lending
Tammy Krumrei	Vice President, Member Services
Patrick Morrison	Branch Manager
Nancy	Executive Assistant
Sherri	Data Processing Administrator
Ed	Mortgage Loan Officer
Tara	Business Development Loan Officer
Mary	Loan Officer
Janne	Loan Processor
Deb	Senior Member Service Representative
Kelly	Senior Member Service Representative
Stephanie	Member Service Representative
Keenan	Member Service Representative
Erin	Member Service Representative

Chairman and CEO Report

2020 might not be a year you want to remember, but it is one you will never forget. Our continued investment in technology prepared the credit union for the changes needed in 2020. Amidst all the changes, we were able to implement new plans, strategies, and ideas. The following are some of the highlights from the past year:

COVID-19

When the COVID-19 Pandemic swept the nation in March, we acted swiftly to modify operations, assure members and provide individually tailored financial assistance for members who were negatively impacted. We monitored and shared updates on scams that members should avoid. Throughout the year, we continued our pandemic planning and COVID-19 response. We remained fluid and took the necessary precautions and actions to keep members and staff informed and safe.



Always On-Duty Banking

We continually reminded members that Police Federal Credit Union of Omaha offers more ways than ever to virtually access funds, accounts, and services. We boldly branded these self-service account access tools as “Always On-Duty Banking” to remind current and future members they don’t need to live near a branch or even in the same state to conveniently access all the law enforcement specific products and services we offer.



Blue Family News

We said “good-bye” to The Informant and launched the Blue Family News. This new monthly electronic newsletter allows us to communicate with members digitally regarding special offers, products, services, and financial education. The new digital platform has decreased costs and shortened lead time, which allows us to add new information minutes before it’s scheduled to arrive in members’ inboxes.



Fully Managed Identity Theft Recovery

We launched the expanded Fully Managed Identity Theft Recovery program as part of the Premier Checking Account. A few of the expanded service features are mobile phone coverage, continuous credit monitoring, monthly credit score, and dark web monitoring. We also added the Care Program for those members who don't have Premier Checking.



Videos

Since videos are continuing to grow in popularity and importance, we created a digital video marketing strategy. Then we began creating and sharing branded instructional and educational videos with members on all of our social media platforms and our website.



YouTube

We created a Police Federal Credit Union of Omaha YouTube channel as part of our social media platform. This new platform allowed us to share our new video series efficiently.



LinkedIn

We created a Police Federal Credit Union of Omaha LinkedIn page. This new social media platform allowed us to connect with members who were pulling away from mainstream social media such as Facebook and Twitter.



Top 10 Financial Tips

We believe financial education is essential. Members need to know that they don't have to learn alone or teach themselves all there is to know about saving, borrowing, budgets, debt, diversification, credit report, and credit score. So we created the Police Federal Credit Union of Omaha's Top 10 Finance Tips for law enforcement families. Then we shared this information using a digital handout and a series of videos.



Inviting Family to Join

We launched a comprehensive initiative to remind members that their family is eligible to join the credit union. We created the new family tree graphic, which was a great visual tool for members to understand which family members are eligible to join.



Virtual Meetings

We invited members to stay connected with the credit union and schedule meetings with the loan department using ZOOM, a video conferencing service. We shared how to use ZOOM instructional videos with members and encourage them to use the service to stay connected with family and friends.



Virtual Celebrations

We pivoted and celebrated the following events virtually using our social media platforms:

- National Law Enforcement Appreciation Day
- National Law Enforcement Spouse Appreciation Day
- Law Enforcement Memorial Week
- Thank a Police Officer Day
- International Credit Union Day
- Holiday Food Drive

Youth

We continued to stay connected with youth parents with our annual Giant Christmas Stocking giveaway. Plus, we partnered with the Children's Miracle Network to send out over 60 personalized letters from Santa.

Financial experts claim that the 2020 pandemic advanced the financial industry's use of technology and technology acceptance by its customers or members by more than ten years! We will use what we learned in 2020 to improve our members' virtual experience for years to come!

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 has stabilized in our economy. Nevertheless, it continues to be important for the Supervisory Committee to monitor the activities of the Police Federal Credit Union. The credit union has over \$84 million in assets reported in the Financial Report. The committee 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 that 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 ensures correct policies and procedures are in place to protect the Credit Union. These audits will continue in 2021.

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 2020 audit. The NCUA (National Credit Union Administration) also conducted the annual examination in the Winter of 2020. 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 Stroehrer
Scott Wagner



2020 Statement of Financial Condition

(December 31, 2020)

Assets:

Loans	41,867,592
Loan Loss Allowance	(97,059)
Cash	1,111,379
Investments	39,160,407
Fixed Assets	348,398
Other Assets	\$2,516,362

Total Assets **\$84,907,079**

Liabilities Savings and Equity:

Total Liabilities	19,218
Regular Share Accounts	33,585,505
Certificates	6,128,551
IRAs	2,162,810
PMAAs	21,276,313
Real Estate Escrows	332,445
Share Drafts	15,286,988
Regular Reserve	3,577,900
Undivided Earnings	2,537,349
Other Liab. and Equity	0

Liabilities, Savings, & Equity: **\$84,907,079**

Income:

Interest on Loans	1,751,748
Income from Investing	373,134
Other Operating Income	670,594

Total Income **\$2,795,476**

Cost of Funds:

Dividends **215,613**

Expenses:

Salaries and Benefits	1,287,411
Travel and Conferences	13,360
Association Dues	29,317
Office Occupancy	132,381
Office Operations	180,245
Education/Promotion	65,098
Loan Servicing	386,003
Professional Services	338,923
Provision for Loss	18,803
Cash Over and Short	637
Interest on Borrowed Funds	0
Annual Meeting	1,749
Federal Operating Fee	18,909
Nonoperating (Income/Exp)	0
Gain/Loss on Investments	(42,462)

Total Expenses **\$2,645,987**

Transfer to Undivided Earnings \$149,489

Minutes of the Police Federal Credit Union of Omaha's 62nd Annual Business Meeting • March 12, 2020

CEO Mary Johnson conducted the invocation at 6:30 p.m.

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

Chairman John Friend called the business meeting to order at 6:32 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 42 members present.

Tara Gorman made motion, seconded by Fran Gallo, to approve the minutes of the 61st Annual Meeting of the Omaha Police Federal Credit Union, which was held March 7, 2019. Motion carried.

Tara Gorman made motion, seconded by Joleen Miller, 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, Bob Lausten, Colleen Macdonald, 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.

CEO Mary Johnson introduced speaker J. Scott Sullivan, President/CEO of the Nebraska Credit Union League & Affiliates. Scott spoke of his recent trip to D.C. and how our Nebraska Senators and House Representatives represent us well and fight for our existence on Capitol Hill. Scott also spoke of the many perils facing our country today with the Coronavirus and decided to lighten the mood by playing a guessing game of TV Law Enforcement characters. Gift cards were given away.

CEO Mary Johnson discussed Communication items: The new monthly electronic newsletter; A reminder that Law Enforcement week is May 10-16 and our appreciation luncheon will be held here at the La Vista PD parking lot with Chicago Dawg on Monday, May 11th; Kirby week is July 13-18; We now have educational videos out on YouTube; Join us on Facebook and Twitter.

Chairman Friend asked for unfinished business. There being none.

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

CEO Mary Johnson presented Credit Union service awards to Tara Gorman and Kelly Gressman; Tara for 10 years of service, and Kelly for 5 years of service.

Chairman Friend 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, Bob Lausten, Colleen Macdonald, and Darrin Engleman.

VP Darrin Engleman introduced the five scholarship winners—Emily Saalfeld, daughter of Jeff and Yvonne Saalfeld; Jaclyn Negrete, daughter of Joe and Jenny Negrete; Heidi McPherson, daughter of Christa and Jon McPherson; Parker Reyes, son of Ed and Nadine Reyes; and Gregory Gonzalez, son of Katherine and Greg Gonzalez. Parker and Gregory were absent from the meeting.

Chairman Friend asked all Board Members to come forward for the Oath of Office pledge lead by Supervisory Committee chair Trevor O'Brien.

The 62nd Annual Meeting of the Omaha Police Federal Credit Union was adjourned at 6:54 p.m.

Prize drawings were held with Chairman John Friend facilitating.

John thanked everyone for attending.