



Serving the Financial Needs of our City's Best

ANNUAL REPORT | 2017

City & Police
FEDERAL CREDIT UNION



Agenda | 83rd Annual Meeting

Tuesday, March 27, 2018 | 11:00 AM

Call To Order	Charles H. Ford
Invocation	Darryl R. Daniels
Determination of a Quorum	A. Dan Principe
Roll Call of Officials	A. Dan Principe
Reading of March 28, 2017 Minutes	A. Dan Principe
Chairman's Report	Charles H. Ford
Supervisory Committee Report	Lawrence V. Schmidt
Treasurer's Report	Gregory H. Strickland
President's Message	Aaron L. Logue
Old Business	Charles H. Ford
New Business	Charles H. Ford
Election Results	Thomas J. McGivney
Organizational Meeting of New Officials	Board of Directors
Announcement of 2018 Officials	Charles H. Ford
Incoming Chairman	2018 BOD Chairman
Appointment of 2018 Supervisory Committee	2018 SC Chairman
Adjourn Meeting	



Minutes | 82nd Annual Meeting

Tuesday, March 28, 2017 | 11:00 AM

Social: Members were given an annual meeting packet as they entered the building. All members 18 years of age and older were given a door prize ticket for the three door prize drawings.

Call to Order: Chairman Richard Townsend called the meeting to order at 11:00 a.m.

Invocation: Collections Manager Nicholas Tsoutsos gave the invocation.

Determination of a Quorum: Secretary Gregory Strickland stated approximately 25 members were in attendance, constituting a quorum.

Roll Call of Officials: Secretary Strickland took the roll call. All Board of Directors and Supervisory Committee members were present, except Supervisory Committee Chairman Darryl Daniels who was excused.

Reading of March 22, 2016 Minutes: Motion by Thomas McGivney, 2nd by Dan Principe to dispense with reading of the Minutes. Motion carried.

Chairman's Report: On behalf of the Board of Directors and Supervisory Committee, Chairman Townsend thanked everyone for their membership and for entrusting their financial assets with City & Police. He reviewed the report noting that the Board of Directors work to ensure that the Credit Union operates in a safe and sound manner. The Board continues to look for opportunities to increase value of membership with City & Police. Townsend thanked everyone for attending. Townsend ended by stating the Credit Union looks forward to the challenge of continued success in 2017 and beyond. We are committed in our mission to serve the financial needs of our city's best.

Supervisory Committee: In Supervisory Committee Chairman Darryl Daniel's absence, Supervisory Committee Member Lawrence Schmitt reviewed the report. The Committee acts on behalf of the membership by monitoring the Credit Union operations. They retained the professional services of Nearman, Maynard, Vallez, CPAs, an independent public accounting firm, to assist in meeting the Committee's annual audit

requirements and with conducting a verification of member accounts. The Credit Union received a clean report with no significant concerns. Schmitt stated it is the opinion of the Committee that the financial statements published in this report fairly and accurately represent City & Police Federal Credit Union's financial condition and that the Credit Union is managed soundly and in accordance with all state and federal regulations. He encouraged the membership to reach out to any Committee member if they have any questions.

Treasurer's Report: Treasurer Jimmy Holderfield reviewed the 2016 statement of financial condition. The report included: Assets, Liabilities, Savings & Equity, Statement of Income and Expense. Treasurer Holderfield stated we are a strong Credit Union. Motion by Gregory Strickland, 2nd by Thomas McGivney to accept the report as presented. Motion carried.

President's Message: President Aaron Logue opened by welcoming everyone to the meeting. He thanked the members for their loyal membership, the Board of Directors and Supervisory Committee for their volunteer service and the staff for their hard work. He then acknowledged and thanked the Management Team. He also recognized the Credit Union's strategic partners, such as: Tom Morcom with CU Home Mortgage handling underwriting of mortgages, David Rice with City & Police Investment Services, Doug Olson with Dual Lending Options helping to connect us with Indirect Lending options, Steve Glenn & Kathy Matthews-Glenn with The Glenn Planning Group. Logue stated that we are very thankful for our strategic partners. Logue reviewed the Credit Union's performance for 2016.

- Capital Ratio grew to 9.30%
- Loan portfolio grew 13% as we granted over \$13M in new loans. In 2012 the loan portfolio was just over \$3M in new loans and in 2016 was \$13M.
- Assets grew 4% to over \$69M
- Membership has remained strong with just over 6,000 members. That is a number we want to grow.

Logue then reviewed 2016's internal and external enhancements:

continued

Minutes | 82nd Annual Meeting

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continued

- Upgrades to our core banking system
- Upgrades to our security cameras and system
- Improved new hire orientation and training program
- New training resource for staff
- Share deposit increase
- Opening branch lobbies on Saturdays & extending hours
- EMV debit card mass reissue
- External Funds Transfer
- Launching City & Police Investment Services

Logue expressed that City & Police is looking forward to 2017. The 1st quarter is off to a great start with assets growing as well as the loan portfolio. The deposit rates will be increased for the third consecutive year. City & Police is devoted to creating VALUE. Logue stated in creating value, it's easy to get caught up in the numbers, but at the end of the day, it's one of our challenges. We are building value for our members. Logue challenged all members to encourage their family members to join this great Credit Union. Logue ended with again thanking the members for their loyalty and membership.

Old Business: Chairman Townsend called for any old business. No old business to confer.

New Business: Chairman Townsend called for any new business. No new business to confer.

Election Results: Nominating Committee Chairman Thomas J. McGivney reviewed the report. He informed the membership that the Committee nominated Incumbents Richard L. Townsend and Jimmy A. Holderfield for the two available 3-year term seats. No additional requests for nomination by petition were received. Strickland cast the unanimous ballot re-electing Richard L. Townsend and Jimmy A. Holderfield on the Board of Directors. Motion by Charles Ford, 2nd by Dan Principe to accept the Nominating Committee's nominations for the available Board seat terms. Motion carried.

Organizational Meeting of the New Officials: Chairman Townsend stated the Board of Directors discussed the 2017 Board positions.

Announcement of 2017 Officials: Chairman Townsend

announced the 2017 positions.

Board of Directors

Chairman	Charles H. Ford
Vice Chairman	Jimmy A. Holderfield
Treasurer	Gregory H. Strickland
Secretary	A. Dan Principe
Membership	Richard L. Townsend

Incoming Chairman: 2017 Chairman Charles H. Ford thanked Richard Townsend for his volunteer service as Chairman. He thanked the members for supporting the Credit Union. Chairman Ford stated he is fortunate and blessed by his career, faith and family. He stated we intend to move forward with the President's projects list of 2017. Ford ended by stating that the Leadership Team of City & Police has changed the outlook of this Credit Union and he looks forward to serving in 2017.

Appointment of 2016 Supervisory Committee: The Committee was re-appointed for 2017.

Supervisory Committee

Chairman	Lawrence V. Schmitt
Committee Member	Lynette F. Clinch
Committee Member	Darryl R. Daniels

Door Prizes: Logue began the door prizes drawing for three City & Police coffee mugs containing a crisp \$50 bill inside each. The drawing concluded with members: Karen Copeland, Steve Glenn and Larry Schreengost as the lucky winners.

Adjourn Meeting: Ford thanked everyone for their membership and for attending the meeting. Motion by Townsend, 2nd by Holderfield to adjourn the meeting. The meeting adjourned at 11:30 a.m.

Richard L. Townsend, 2016 Chairman

Gregory H. Strickland, 2016 Secretary

Chairman's Report

Charles H. Ford
Chairman

On behalf of your Board of Directors and Supervisory Committee, I want to thank you for your membership and entrusting your financial assets with City & Police Federal Credit Union. We are honored to serve this membership. Our priority is to ensure the Credit Union operates in a safe and sound manner while providing the value you seek in a financial institution partnership.

We are proud to serve the men and women, both active and retired, working in law enforcement throughout Clay, Duval, Saint Johns and Nassau counties. We are also proud to serve the many individuals who work for the City of Jacksonville and keep this wonderful city running. It's an honor to not only serve these individuals but also the family members that support them. No other financial institution in Jacksonville is solely focused on providing financial products and services to this unique membership base.

The Credit Union performed at a high level in 2017, and we look forward to keeping that momentum into 2018 and beyond. Your support as a member is truly appreciated.

Supervisory Committee Report

Lawrence V. Schmitt
Chairman

Lynette F. Clinch
Darryl R. Daniels

The Supervisory Committee is honored to serve the membership of City & Police Federal Credit Union.

The Committee acts on behalf of the membership by monitoring the Credit Union operations, ensuring that it is operating in a fiscally sound and compliant manner.

The Committee retained the professional services of Nearman, Maynard, Vallez, CPAs, an independent public accounting firm, to assist in meeting the Committee's annual audit requirements including the annual verification of member accounts. The Credit Union received a clean report reflecting no significant concerns as of September 30, 2017.

It is the opinion of the Committee that the financial statements published in this report fairly and accurately represent City & Police Federal Credit Union's financial condition and that the Credit Union is managed soundly and in accordance with all state and federal regulations.

If you have any questions or concerns, please do not hesitate to contact a Supervisory Committee member.

Treasurer's Report | 83rd Annual Meeting

Gregory H. Strickland, *Treasurer*

Statement of Financial Condition

Years Ending December 31, 2016 & 2017

Assets

	2016	2017
Net Loans to Members	\$33,165,494	\$37,164,273
Cash on Hand & on Deposit	\$1,262,637	\$1,163,152
Investments	\$31,857,999	\$33,062,435
Buildings, Land, Furniture & Fixtures	\$2,796,720	\$2,689,945
Other Assets	\$686,992	\$832,307
Total Assets	\$69,769,842	\$74,912,112

Liabilities, Savings & Equity

	2016	2017
Shares / Deposits	\$63,027,437	\$68,031,423
Other Liabilities	\$816,740	\$506,578
Reserves & Undivided Earnings	\$5,925,665	\$6,374,111
Total Liabilities & Equity	\$69,769,842	\$74,912,112

Statement of Income and Expense

Years Ending December 31, 2016 & 2017

	2016	2017
Interest Income	\$2,257,337	\$2,459,302
Interest Expense	(\$79,116)	(\$96,702)
Provision for Loan & Lease Losses	(\$194,000)	(\$158,000)
Non-Interest Income	\$927,940	\$945,543
Non-Interest Expense	(\$2,645,973)	(\$2,825,386)
NET Income	\$266,188	\$324,757

financial
summary

State of the Credit Union

Aaron L. Logue
President/CEO

Is hope a strategy for success? It's a question we've been answering over the last five years. Helping to answer that question was our performance in 2017 which was very strong and consistent with the momentum that we have been building. We've continued to improve the value of membership and add the products and services that our members need to help them succeed financially. We are thankful for every member that calls City & Police their financial institution. It is an honor to serve you.

Along with our core banking solutions we have also seen an increase in awareness with City & Police Home Financing and City & Police Investment Service solutions. We are very excited to announce our partnership with GreenPath Financial, a leader in financial education and counseling. This partnership will provide a great solution for our members looking for support and answers to some of the financial struggles they are encountering. We are also proud to offer a new deposit option to our members. City & Police now offers money market accounts. These two value added services are just two examples of how we continue to improve our service to the membership.

Hope is not a strategy. Being intentional and aware of our members' needs is. We'll continue to carry this positive momentum into 2018 and look forward to another successful year of serving our membership. We are not hoping for success but expect to deliver it.

Election Results

Thomas J. McGivney
Chairman

Patrick L. Miles
Clinton W. Clifton

In compliance with the Credit Union Bylaws, the Board of Directors notified the membership of the upcoming Annual Meeting and Elections. The Nominating Committee notified the membership of their nomination of Incumbent A. Dan Principe for the available 3-year term board seat. They further requested other members interested in becoming candidates to complete an Elections Biographical Information form and a Petition form to be submitted within 30 days.

Annual Meeting and Election notifications were posted in each office lobby for a period of not less than 30 days.

The Committee received no additional requests for nomination by petition. Therefore, the nominations were closed and no mail-out ballot was required.



Downtown Branch

501 E. Bay Street, Suite 205 | Jacksonville, FL 32202
Mon - Thu 7:30 AM - 2:30 PM, Fri 7:30 AM-3:30 PM

Mandarin Branch (Operations Center)

4675 Sunbeam Road | Jacksonville, FL 32257
Mon - Thu 8:00 AM - 4:00 PM, Fri 8:00 AM-5:00 PM

Northside Branch

2409 Dunn Avenue | Jacksonville, FL 32218
Mon - Thu 8:00 AM - 4:00 PM, Fri 8:00 AM-5:00 PM
Sat 9:00 AM - 1:00 PM

Southside Branch

5546 Beach Boulevard | Jacksonville, FL 32207
Mon - Thu 8:00 AM - 4:00 PM, Fri 8:00 AM-5:00 PM
Sat 9:00 AM - 1:00 PM

Westside Branch

4830 Waller Street | Jacksonville, FL 32254
Mon - Thu 8:00 AM - 4:00 PM, Fri 8:00 AM-5:00 PM



CityFCU.com | (904) 353.2240



Board of Directors

Charles H. Ford | *Chairman*
Jimmy A. Holderfield | *Vice Chairman*
Gregory H. Strickland | *Treasurer*
A. Dan Principe | *Secretary*
Richard L. Townsend | *Membership*

Director Emeritus

Thomas J. McGivney

Supervisory Committee

Lawrence V. Schmitt | *Chairman*
Lynette F. Clinch
Darryl R. Daniels

Management

Aaron Logue | *President, CEO*
Ricky Joshi | *CFO*
Deborah Graham | *Card Services/ Credit Manager*
Leisa Hogan | *HR Manager*
Kristin Madole | *Marketing Manager*
Terri Thomas | *Operations Manager*
Nicholas Tsoutsos | *Collections Manager*

Staff

Brandie Archer | *Teller/Member Services*
Tristan Dancer | *Teller/Member Services*
Yolanda Davis | *Loan Officer/Branch Manager*
Sharmonique Everett | *Teller/Member Services*
Dena Flood | *Senior Loan Officer/Branch Leader*
Kimable George | *Teller/Member Services*
Lee Harrelson | *Accountant/Research*
Mindy Laird | *Loan Officer/Collections Asst/Branch Leader*
Alicia O'Keefe | *Teller/Member Services*
Maria Piccione | *Senior Loan Officer*
Judy Puckett | *Teller/Member Services*
Stacey Rodriguez | *Teller/Member Services*
Rashell Sheffield | *Teller/Member Services*
Shelley Tucker | *Teller/Member Services*