

InTouch

InTouch with your credit union, InTouch with your accounts.

Spring 2009



Member Spotlight:

The Reynolds



It's where you *belong.*



President's Message

The following is an excerpt of the speech Kevin Parks, President/CEO, gave at the 74th Annual Business Meeting on March 24, 2009.

Approximately one year ago I assumed my current role with Centris. I can honestly say that Centris is a proud organization with a great tradition of service to our members for the past 75 years. This year we plan to celebrate throughout the year the past 75 years of service and success that your credit union has achieved.

The past year and a half has been a challenging time for the Board of Directors. They faced these challenges head on and with courage and conviction. Our members should be proud of these individuals who have volunteered their time and energy to serve and represent you as a member of the Board. I am grateful for their service.

As I mentioned, 2008 was a challenging year for our Board of Directors and the management team for a number of reasons. The challenges we faced were the transition in the leadership team, the severe downturn in the economy and the number of problem assets and loans that required attention.

The \$6.6 million net loss we reported for 2008 resulted in recognizing \$9.2 million in the charge off of problem loans and the sale of loan related assets. These losses incurred on real estate loans as well as a few large loans to businesses where the borrowers had quit making payments. In June 2008, Centris had non-performing loans that represented almost 44% of our capital. This level of non-performing assets, if not immediately addressed, would have limited our ability to invest in the Credit Union to improve service to our members.

Your management team and the Board of Directors made the difficult decisions to resolve these problem loans. We finished 2008, even after taking these losses with a capital ratio of 9.54% which is well above the 7% regulatory definition of a "well capitalized" institution. These decisions allowed Centris to start 2009 with a bright and optimistic view of the future. We will now focus our attention on how we can provide better service to our members as their lifelong financial partner and assist them in achieving their needs and goals.

In addition to a strong capital base, Centris is strong operationally. Without considering the impact of these one-time loan losses we realized a return on assets of 67 basis points from operations in 2008. This return on assets would have exceeded industry averages. Your management team has also taken action to improve our lending policies and processes to assure we do not experience similar loan problems in the future. Centris is strong financially and operationally!

Even though resolving these issues was our primary focus in 2008, we did complete a number of other projects during the year to expand and improve

the products and services we provide to our members.

In the first quarter of 2008 the checking account product line was redesigned to expand our product offerings. All of our checking accounts come with free online banking services, free eStatements and the Centris check card with a cash back reward program.

We also remodeled our 154th and Spaulding branch by removing the Remote Teller System (RTS). This allowed us to make the branch environment more member friendly and personable. We plan to remove all RTS units in 2009 and 2010.

In the third quarter of 2008 we began offering merchant credit card processing services to business members through Heartland Payment Systems.

Even though the economy was distressed, Centris continued to be there for our members when they needed to finance their purchases. In 2008, we originated over \$27 million in first mortgage real estate loans, over \$78 million in consumer loans and almost \$8 million in lines of credit. Our total net loan growth for the year was over \$20 million.

We also continued to provide very competitive rates on deposits to our members during the year. This helped us achieve a total growth in deposits from members of over \$19 million in 2008.

Our commitment to service is not just to our members, but to our community as a whole. In addition to corporate monetary donations made in 2008, our employees volunteered over 1,100 community hours to many worthwhile causes.

There will be some challenges as we work through 2009. As you know the economy is still uncertain and a recovery

is not expected until the end of this year. We anticipate the NCUA will issue a special insurance premium assessment to replenish the NCUSIF, the National Credit Union Savings Insurance Fund, to offset losses in the credit union industry created by the current economic environment. This will be a large insurance assessment expense that is out of our control and have a significant impact on our reported net income for 2009. However, we will continue to talk with our trade associations and regulators about alternatives to mitigate the overall impact on Centris.

In 2009, we intend to live up to the legacy that our predecessors have created over the last 75 years at Centris and provide a level of service that is unparalleled in our communities.

If you have any questions or comments that you would like to share with me, please call me or send an e-mail to kparks@centrisfcu.org. Thank you for your membership and the opportunity to serve you.

Kevin Parks
President / CEO

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What Should You Do With Your Tax Refund?

If you're expecting a tax refund check, there are a number of things you can do with that money. Here are a few suggestions:

- Use it as part of a down payment on a new car.
- Build your rainy day fund for inevitable budget challenges.
- Open an IRA (individual retirement account) or fund a child's Coverdell Education Savings Account, formerly known as the Education IRA.
- Add it to the fund you're building for a down payment on a house.
- Apply it to your mortgage principal.

However you choose to invest your tax refund check, remember that Centris Federal Credit Union can help.

How Is Your 401(k) Lately?

A lot of people have seen their 401(k)s shrink in recent months. Many of them don't know what to do with their investments so they have enough money to retire.

If you're one of them, come visit the credit union. We have financial advisers who can help you figure out diverse ways to invest your money.

Don't let your 401(k) keep shrinking. Stop by any Centris location today and we'll help you determine a new retirement strategy.

Certificate Laddering: A Strong Savings Alternative

You've accumulated a substantial amount in your share savings account and are thinking of shifting the funds into share certificates to earn higher interest. Here's your dilemma: Do you put your money in longer-term certificates to get the highest rate? Or do you invest in shorter-term certificates to keep your money more readily accessible—even if it means settling for a lower rate?

Laddering gives you both bigger savings and the advantage of maintaining access to your money. Say you have \$5,000 to invest in certificates. Put \$1,000 each into certificates that mature in one, two, three, four, and five years.

One year later, your first certificate matures, yielding you \$1,000 plus dividends earned. If you need the money, you cash in. If you don't, you reinvest in a new five-year certificate, at a higher dividend rate.

The next year, the two-year certificate matures. Again, if you don't need the money, you reinvest in a new five-year certificate. By the end of the fourth year, all your money is earning at the five-year rate. Yet a certificate matures each year, so you can tap into the cash if you need it.

You can ladder any way you wish to best meet your financial needs. For more information or to start your certificate ladder, contact us today at (402) 334-7000 or (800) 334-2328.

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Home Equity Loans Give You Room For Improvement

It's a tough choice for a homeowner: Move into a new house, or improve the one you have. It seems so easy to call a realtor and arrange a showing. But your current home has something no new home can offer - equity.

Home equity is on the rise, providing homeowners a ready financing source to turn home sweet home into home sweet dream home. On average, homeowners spend 18 months planning home improvements. It's time well spent; some renovations pay off better than others. Bathroom and kitchen renovations provide the greatest return, between 90% and 95%. Decks and home offices hold the low end, between 65% and 70%.

As you plan, look beyond your house to your neighborhood. Will renovations put you in a different league - and price range - than your neighbors? Also, keep in mind how long you'll be in your house. If you're going to fix it up and sell in six months, you'll get all the pain of remodeling and not much gain. But if you plan to live in the house more than three years, it makes economic sense to remodel.

How Do You Calculate Your Available Equity?

First Step: Say you made a down payment of \$20,000 on a house priced at \$100,000 five years ago. Since then, you've paid \$15,000 toward the principal, and the market value of your house has increased to \$115,000. The sum of your down payment (\$20,000), principal paid (\$15,000) and the increase in property value (\$15,000) gives you \$50,000 in equity.

Second Step: Ideally, what you owe on your home - mortgage plus home equity loan - shouldn't exceed 80% of your home's value. So 80% of \$115,000 suggests, if you meet other lending yardsticks, you may be eligible for as much as a \$27,000 home equity loan (house is worth \$115,000; 80% of that is \$92,000; you still owe \$65,000 on the first mortgage; so $\$92,000 - \$65,000 = \$27,000$).

Stop by any Centris office or call (402) 334-7000 or (800) 334-2328 to discuss your home equity loan options today.

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Look To Centris For Your Next Mortgage Or To Refinance

With rates at historical lows, now is a great time to look at your mortgage options with Centris.

Call our mortgage lending specialists at (402) 334-7000, ext. 6160 in Omaha, or toll free (800) 334-2328, ext. 6160. In Grand Island call (308) 382-3060. In North Platte call (308) 534-4280.



Member Spotlight

Shari & Rob Reynolds

Centris members Shari and Rob Reynolds know the devastating loss that can occur in a split-second but are certain the lessons and love that follow will last their lifetime.

May 31, 2009 will mark the two-year anniversary of their daughter, Cady Anne Reynolds' death. Cady, then age 16, was driving home after seeing an evening movie and was killed in a car crash involving another teenager.

The driver, also age 16, was not drinking or distracted by the influence of any illegal substance. She was, however

distracted in another way, causing her to run a red light, through the intersection without ever applying brakes. Whether it was texting, talking, taking her eyes off the road or the inexperience of night driving, the impact to Cady's car changed the lives of those involved forever.

Immediately following Cady's death, Shari and Rob began to notice numerous stories and reports of "teens dying at the hands of other teens," said Shari. Car accidents are the #1 killer of teens (16-20) in the United States. "The tragedy is that these crashes are nearly 100% preventable as they are a direct result of inexperience, distractions and disregard of safe driving practices." Shari put the numbers into further perspective, "We lost 3,000 people on September 11, and over 6,000 teens die each year in auto related crashes."

Finding a way to honor their daughter's spirit and compassion towards helping others, the Reynolds created The C.A.R. Alliance for Safer Teen Driving to educate and encourage both teens and parents towards safer driving behaviors. The name for the Alliance came from Cady's initials. A student at Omaha Marian High School, Cady would have graduated with this year's class. She was an active, community-minded individual who had touched many lives before her untimely death. Upholding Cady's indomitable spirit, and unflinching goodwill, the Reynolds now share their insights through visits with schools, teen groups and parents to try and prevent the senseless epidemic of teenage traffic fatalities. "Accidents happen in all age groups, Shari said, but statistics show that teen drivers, who lack driving experience, have a higher fatality rate. If we can prevent just one person from losing their life, we feel that is reason enough to share Cady's story."

“Parent involvement is critical. Rob and I encourage parents to set good examples, make careful choices about their teen’s driver education programs and be more aware of the situations in which teens are driving or riding with friends,” Shari said. To bring awareness to their cause and honor Cady’s life, the Reynolds organized a walk last year on the anniversary of her death.

Cady’s favorite color, orange, stretched out over the paths of Lake Zorinsky and on t-shirts worn by participants. The Reynolds family was overwhelmed by the response from the community. Over 900 friends, family and community members joined efforts to raise nearly \$22,000 to help fund programs and materials for the Alliance. This year, on May 30th the C.A.R. Alliance will hold its 2nd annual walk in hopes of raising the necessary funds to reach teens and parents across Nebraska and beyond.

Centris is proud to honor the life of our young member, Cady, and the work of the C.A.R. Alliance through our sponsorship of this year’s walk. For more information about the C.A.R. Alliance, to request a presentation for your school/community group or to register for the walk, go to www.saferteendriving.org.

Editor’s Note

Are you a Centris member making a unique contribution to the community? Know someone who is? Tell us your story for a chance to be featured in the **Member Spotlight** of the Centris Newsletter. Simply contact us at marketing@centrisfcu.org or by phone at (402) 758-6523.

2nd Annual C.A.R. Walk Event Details:

When:

**Sat., May 30th, 2009
9 am to 11 am
Early Registration 8 am**

**Where: Zorinsky Lake,
Pavilion #5
(By the soccer fields)**

Cost: Students: \$15

**Adults: \$20
(Early registration)**

**Adults \$25
(Day of walk)**

**Children 5 and under
FREE without t-shirt
or \$7 with a t-shirt
(Youth sizes only)**

**Refreshments
(No charge)**

**Register at
www.walkforcady.org**



Join Us At The Dollar Dugout!

Centris wants you to join us for the 2009 Omaha Royals season! We've got a family-friendly, fun deal for Royals baseball fans.

From now until the season finale on September 3rd, Centris will let the first 50 kids age 12 and under attend any Omaha Royals home game for only \$1!*

To learn more and check out the Omaha Royals schedule visit: <http://omaha.royals.milb.com>

*Ticket price for the first 50 kids who purchase a ticket at the box office window at Rosenblatt Stadium for an Omaha Royals home game is only \$1. Tickets must be purchased the day of the game at the Royals ticket office. Adult tickets are regular price and have the ability to sit in the Centris Dollar Dugout with their child(ren).

Save The Date!

**Centris Member
Appreciation Night With
The Omaha Royals
Friday, August 7, 2009**

**Watch for
more information
coming soon!**



2009 Board Election Results

At the 74th Annual Business Meeting, voting results were announced for the three Board positions that were available. Re-elected were incumbents Linda Aust, Tom Beiriger and Jim Curran to fill the three-year terms.

Board Of Directors:

Paul Elofson	Chair
Leslie Walters	First Vice Chair
Carol Pirsch	Second Vice Chair
David Johnson	Treasurer
Tom Beiriger	Secretary
Jim Curran	Director
Linda Aust	Director

Thank you to all who attended the Annual Meeting on March 24, 2009. We look forward to seeing you at next year's meeting!



Rafferty Club Appreciation Day!

Over 150 club members and their families joined Rafferty for loads of fun at the Omaha Children's Museum "Speed" exhibit which was sponsored by Centris.



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“Spring Clean” Your Finances

A message from the Centris Investment Services program**

As the Winter season fades from memory, many members use the promise of blue skies to clean up and reorganize their homes with an old-fashioned “Spring Clean”. This is also a perfect time to take a fresh look at your finances. Many members have found that a review of their financial lives helps them organize and set new goals. A great starting point is the retirement accounts from previous employers. If you have found yourself with a new job, then it is time to consider what to do with your past pension plan, 401(k), 403(b)/TSA or 457 plan. There are many options available and making the right choice is an important part of organizing your financial life. Here are several options to assist with your “Financial Spring Clean”.

- Leave your savings with your previous employer’s retirement plan. However, you won’t be allowed to add to your account and if your balance is \$5,000 or less your employer may require you to take your money.
- Move your retirement savings to your new employer’s plan. If you’re starting a new job and the company offers a retirement savings plan, usually you can transfer your money tax-free from a 401(k), 403(b) or 457 governmental plans to any such plan. Once the money has transferred to your new plan it must follow the rules and cost associated with the new plan.
- Roll over your retirement savings into an IRA. Another option is to transfer part or all of your savings from your 401(k), 403(b) or 457 governmental plan to an IRA. IRAs typically offer more options, allowing you more control over choosing investments according to your specific goals, time frame and risk tolerance. IRAs have some flexible and tax-favored estate planning advantages over employer plans and more accessible. Traditional IRAs may also be converted to Roth IRAs, which can offer various benefits.
- Cash out. As a last resort you can take all of your vested money in cash at any time from your employer-sponsored retirement plan. However, consider losing a significant portion of your plan to federal income taxes, possible state income taxes and sometimes a 10% early withdrawal tax penalty. Plus, your employer is required to withhold 20% up-front as prepayment for federal income taxes, so be prepared to receive 80% of the total amount.

Deciding what to do with these accounts is an important issue that impacts your retirement security, so be sure to choose carefully. Contact Anthony Bumgarner with Centris Investment Services today at (402) 697-6726 for a no cost, no obligation review of your “Financial Spring Clean”.

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1942 1953 1968

A Historical Look: The Origins Of Centris Part 2

The past is full of answers that can help us solve many of today's questions. When deciphering how to deal with a crisis whether it be economic, financial or international, a key part of research is looking to the past. Decisions need to be made, often times sooner rather than later, as popular music also denotes with one of the top songs in 1960, "It's Now or Never" by Elvis Presley. In the 1950s and 60s, change was inevitable and decisions needed to be made. Looking into our past, we can see how Omaha has sustained and looked to ways to grow which led the way to a successful future.

After World War II, Omaha went through many changes. During wartime, the work efforts had been centered around plants producing flour, cereal, butter, meat, dehydrated foods and corn-based fuel. Omaha's economy had become so reliant on what it was already producing that when all of these products were no longer necessary, change was in order. Diversification in labor and production was required in order to keep the workforce employed. The leadership in Omaha had been planning for this and several new industries were introduced.

Service industries, new manufacturing and processing plants were introduced to Omaha and provided more jobs for residents and a growth to the economy. Insurance companies comprise one of the most widespread service industries brought to Omaha and many still have their home offices in Omaha. Nebraska is also held in high regard for its steak and agricultural products and in 1956, Omaha had finally surpassed Chicago as the world's largest livestock market.

Industry diversification enabled Omaha to grow as a city, but communications remains an important segment of economic development.

In 1869, Western Electric was formed as a company that provided parts for inventors, such as those who were pivotal in the invention and innovation of the television and telephone. Before joining the Bell System, Western Electric was the largest electrical manufacturer in the United States. Then, in 1882, Western Electric and Bell signed an agreement making Western Electric Bell's the exclusive manufacturer of telephones in the United States.

In 1956, Western Electric built a plant on a 390-acre site near Millard that would provide jobs for thousands of people. Those people would be Centris members. The new employees had the opportunity to join the credit union enabling them to be a part of a financial institution that offered many benefits. Centris Federal Credit Union has been a partner to residents in Omaha and surrounding counties for the past 75-years and will continue to provide superior services for years to come.



**Enter For Your
Chance To Win!**

2009 Centris Smart Car
Register for your chance to win
at any Centris location!*

*Official Smart Car Contest rules are available
at www.centrisfcu.org.

75th Anniversary



It's where you *belong.*

(402) 334-7000 or (800) 334-2328

www.centrisfcu.org

Holiday Schedule

Offices are closed in observance of:

Memorial Day	Mon., May 25
Independence Day	Sat., July 4
Labor Day	Mon., September 7
Columbus Day	Mon., October 12
Veterans Day	Wed., November 11
Thanksgiving Day	Thur., November 26
Christmas Day	Fri., December 25
New Year's Day	Fri., January 1

Offices will close at 1:00 p.m. in observance of:

Christmas Eve
Thur., December 24



In Omaha 402-334-7000 | *Outside Omaha* 800-334-2328 | TDD 402-758-6066

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2727 S. 168th St., Omaha, NE 68130-2261 • 15480 Spaulding Plz., Omaha, NE 68116-6236 • 8250 S. 99th St., La Vista, NE 68128-4261

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