

# Metro Minute

DECEMBER 2020



## *In This Issue*

**COVID-19  
Impact on the  
Credit Union**

**Annual  
Membership  
Meeting**

**Volunteer  
Director  
Biographies**

**Save the Date:  
Annual Meeting  
March 6, 2021  
Marriott Hotel,  
Regency  
10220 Regency  
Circle  
9:00 AM**

## **COVID-19 Impact on the Credit Union**



Nearly every business was affected by COVID-19 and most were impacted negatively. As we close out 2020, with news of COVID vaccines soon to arrive, we sat down with CU President Mike McDermott to ask some questions about how Metro was specifically impacted by the pandemic.

**Question: First things first, how did Metro fare in 2020 during a pandemic?**

**McDermott:** From a financial performance standpoint, Metro was definitely impacted, but in the end we weathered the storm pretty well. We were hit pretty hard by the drop in interest rates and lost revenue when consumers were not spending money, and we had a lot of new costs directly associated with the pandemic. However, we also saw big increases in new members, new loans and new deposits, and past-due loans are running about one-half of their normal level, so there were positives too. Despite everything that happened in 2020, the Credit Union is very strong and very healthy.



# COVID-19 Impact on the Credit Union cont'd

**Question:** You said that loan delinquencies are half of a normal year, but unemployment in Nebraska is three or four times the level it was before the pandemic. What is causing that?



McDermott: We thought delinquencies would go up during the year too, but it just didn't happen, I think for three reasons. First, when the government shut businesses down in the Spring to "flatten the curve", we offered members the opportunity to defer three months of payments on existing consumer loans. Almost 5,000 members took advantage of this. Second, the government provided substantial unemployment benefits to those who were not working. And third, it was harder to spend money in 2020

because businesses were closed or people didn't want to travel. In a lot of cases, members saved their money.

**Question:** How were Credit Union operations affected in 2020?

McDermott: As a financial institution, we have an obligation to be available to our members because people need the services we provide to live their lives. So as a manager, minimizing the impact of the pandemic was the most difficult and frustrating part of the last nine months.

Fortunately, we took COVID seriously in the beginning so we had the necessary equipment for 40% of our staff to work from home, and this allowed us to better social distance for those who needed to be in the office. Obviously, government mandates required lobby closings for a period of time, but even after those were rolled back we had COVID-related staff shortages that required us to extend the closing of two lobbies, and ultimately we had to close lobbies for three days during the week at most offices. However, a couple of things happened during all of this that were really gratifying. First, many of our employees really stepped up. They picked up the slack when we were short, and really did a great job serving members. Second, I could not have asked for a more understanding response from our members. Whether it was driving to another office because of a closure or waiting the extra time on hold on the phone because of higher call volumes, most of our members worked with us and had an "all in this together" attitude.



# Covid-19 Impact on the Credit Union cont'd

**Question: You mentioned higher call volumes. What changes in behavior did you see due to the pandemic?**

McDermott: If you would have told me the type of behavior changes we saw in 2020 were possible in one year, I would have called you crazy. In the Spring, we saw a 40% increase in home and mobile banking activity, and a 30% increase in call volume. Metro members are “active”; they don’t just join the Credit Union, they use the Credit Union’s products and services. When people couldn’t get out, they banked electronically and by phone. People were saving more and spending less, although we did see some



consumer spending return in the second half of the year. Clearly, consumers were looking for value. Our cars loan balances grew by over 20% this year due to refinancing at Metro for a better rate. We also had similar growth in Home Equity Lines of Credit because, being at home, people started some home improvement projects. Even after lobbies were open, we saw a greater number of people use the drive-thru which wasn’t surprising. We also had a 300% increase in members using Remote Deposit Capture where our mobile app is used to deposit pictures of checks instead of members' having to come in. We think a lot of these changes will be permanent. Now that so many more people have discovered how easy it is to bank electronically, we believe they’ll continue to do so.

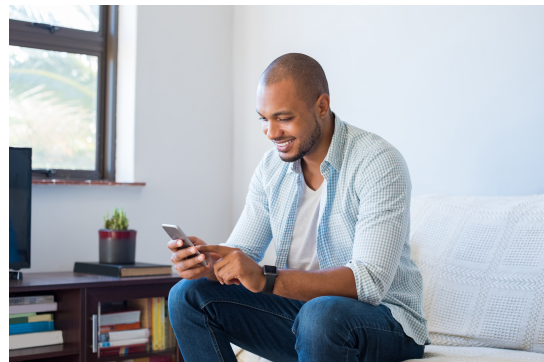
**Question: What impact does a permanent change in behavior have on Metro going forward?**



McDermott: That’s really the big question. What does banking look like five and ten years from now? The world was already changing before the pandemic, and COVID probably accelerated some things. For example, before COVID we recognized the need to be convenient for people the way they want to bank, and for a growing number of people, that’s electronically. So, late in 2019 we purchased a new state-of-the-art online system for new accounts and loans, and we’ll be rolling it out in 2021.

# COVID-19 Impact on the Credit Union cont'd

This new system will make it really easy for members to open and fund new accounts from home, or apply for loans, get approved, and close the loan without ever needing to speak to an employee. People will be able to join Metro, or open or refinance a loan, from wherever they want at whatever time they want. We also think the way bank branches look will change. Branches of the future will have smaller lobbies with fewer windows, and we also see more automation in branches with more video interaction. In 2021 we're planning to open an office in Elkhorn that will include more virtual interaction.



## Annual Membership Meeting- Saturday, March 6, 2021

Each year Metro holds an Annual Meeting open to all members of the Credit Union. The 2021 Annual Meeting is currently planned for Saturday, March 6th at 9:00 a.m. at the Marriott Regency Hotel in Omaha. Because of the COVID-19 pandemic, this year's Annual Meeting will include only the business meeting and reports as required in the Credit Union's bylaws. There will be no meal or door prizes, and seating will be limited to accommodate social distancing. There is no cost to attend but please call 402-551-3052 to reserve a seat.

Each year, three directors are elected to the Credit Union Board. In 2021, three incumbents, Treasurer Tim Lonergan, Director Bob Nelson, and Secretary Mick Connolly have each expressed a desire to serve an additional term and have been nominated to



do so by the Nominating Committee. In accordance with our bylaws, nominations from the floor are not permitted. When the number of candidates equal the number of open positions, no ballot election will be held.

Current Metro members in good standing who have an interest in running for the Board after the Nominating Committee has submitted a slate of candidates may do so by submitting a Petition signed by 1% of current members (approximately 430 as of writing), along with a statement of qualification and biographical information. This petition must be submitted to the Nominating Committee by January 22, 2021. Metro Credit



Union Directors serve as uncompensated volunteers elected from the membership to three year terms. Directors are required to attend meetings at least monthly and be available for possible Committee assignments, special meetings, and training throughout the year.

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\*90 day no payment offer available to members with a checking account that includes a qualifying direct deposit. 90 day no payment offer good through 01/31/2021. Interest continues to accrue during the deferred payment period. Not valid with loans currently financed with Metro Credit Union Example: \$27,500 1.99% APR for 60 months = payment of \$481.93. Advertiser rate assumes a .50% relationship discount for well qualified borrowers. To receive this discount, you must maintain an active Metro Credit Union Checking A count with qualifying Direct Deposit. For others, a rate increase of .50% applies. Other rates and terms available. Maximum loan amount \$100,000. Other restrictions may apply. Approval and rate subject to credit qualifications. Rates current as of 12/07/2020 and are subject to change. Figures shown above are for example purposes only. Your actual savings and interest paid will depend on your specific circumstances.

**Happy Holidays**

From Metro Credit Union



# Board of Director Biographies



Bob  
Nelson  
Incumbent  
Metro CU  
member:  
44 years

Bob Nelson rejoined the Board in 2013 after a brief hiatus. He served as Metro Board Chairman from 1984 to 2007. Bob began his volunteer service in 1977 with UNMC Employees FCU Board, when he was employed at Clarkson Hospital as Director of Human Resources, and later moved to the Nebraska Health System (now Nebraska Medicine).

During his time on the Board, Bob was involved in the merger of UNMC Employees and Safeway Employees Credit Union into Metro Credit Union in 1982. He played a leadership role in the selection and hiring of previous CU President Elaine Mausbach, and current CU President Mike McDermott. Bob also worked to secure Metro's second and third offices at Saddle Creek Road and Maple Street.

In looking back on his years of service, Bob said, "The changes the Credit Union has gone through since the merger in 1982 are truly remarkable.

We went from one office and no checking accounts, ATMS or drive-thrus to one of the more highly respected financial institutions in Omaha. When I started, the Credit Union served 700 members. We've grown to service over 40,000. I feel blessed to have been associated with so many outstanding members, employees and volunteers over the years at Metro, and I would like to continue that service for three more years."

Bob and his wife, Rose, are dedicated credit union members who enjoy being outdoors, traveling and spending time with their grandchildren. In addition, Bob occasionally finds time to attend a NASCAR race. Bob is retired from his career on campus, and currently operates his own lawn business, allowing him to stay busy and active.



J. Michael "Mick"  
Connolly  
Incumbent  
Metro CU  
member:  
36 years

J. Michael "Mick" Connolly currently serves as Secretary of Metro's Board of Directors. During his 24 years of volunteer service to Metro, Mick has also served as Chairman and Vice Chairman of the Board and Chairman of Metro's Supervisory Committee. Mick retired from a more than four decade career in accounting, finance and banking in 2014. Mick spent the early part of his career in the financial services industry before specializing in accounting and finance. Mick became versed in all aspects of accounting and finance working as an auditor, controller, accounting manager, and most recently as Senior VP and Chief Financial Officer at a local non-profit.

Mick has long been a proponent of credit union services, and specifically for Metro Credit Union. Since joining Metro in 1988, Mick has been active both as a member and a volunteer.

"I have enjoyed and valued the opportunity to serve our members and represent them as a volunteer director. Having spent my career involved in accounting and finance, I take our responsibilities to act as stewards on behalf of our members very seriously.

I have continued to be involved as a volunteer for more than two decades now because this organization's priority has always been to provide members with the best possible services while operating in a safe and sound manner. I am especially proud of how Metro has weathered different economic storms, from the financial markets collapse and Great Recession to a pandemic. Our Credit Union has always prioritized long-term safety and soundness in our Risk Management policies, and as a result we have been well-positioned to meet external environmental challenges. I look forward to continuing to provide encouragement and support to our employees, and superior service to our members in the future."



Tim  
Lonergan  
Incumbent  
Metro CU  
member:  
33 years

Tim Lonergan has served as a volunteer on the Metro Credit Union Board of Directors for 24 years, and currently holds the position of Treasurer. "I have been fortunate to serve on the Board during a time of tremendous growth, both in offices and services to members.

I am proud to have helped protect member rights by representing Metro Credit Union in Washington D.C. and in Lincoln with the Nebraska Legislature."

"The Credit Union has a great team of volunteers which compliments an equally talented staff. I am also very proud of how the Credit Union navigated through a troubled economy and is positioned for the future."

Tim has run for both the Nebraska Legislature and the Omaha City Council, and has served on the Metropolitan Community College Board of Governors. Tim and his wife, Marilou, are proud parents of seven children, all of which are Metro Credit Union members.

Tim is a graduate of the University of Nebraska Omaha, holding a Bachelor's degree in General Education, Special Education and History. Tim is a US Coast Guard/Navy Veteran with 24 years of service. Currently, Tim is the President of Lonergan Lawns and Lonergan Vending. "I would be honored to continue serving as a volunteer Board member."



# Metro Minute December 2020

  
PO Box 390696 Omaha, NE 68139

**2021 Annual Meeting  
Information Inside**