

# Board of Director Petitions Due February 3

According to the bylaws of Arizona Federal, members who have joined the credit union by December 31, 2004, are eligible to run for election to the Board of Directors.

Candidates may be selected by a nominating committee or by submitting a petition signed by at least 500 Arizona Federal members. Biographical information on nominees selected as of December 31, 2004, is printed below. For petition information, call (602) 683-1032. The deadline for submitting a petition is February 3, 2005.

## Frank Barriga

Frank Barriga, a 17 year Arizona Federal member, has been employed by the City of Phoenix since 1988. Frank is currently serving as a Management Assistant II. He was previously employed by the Greyhound Corp conglomerate for 16 years.

Frank has been elected to the following Board of Directors:

- City of Phoenix Employees Retirement System (COPERS)- December 1999; re-elected- December 2002; Chairman- January 2002 to December 2004; Vice-Chairman in 2001
- City of Phoenix Municipal Employees Association (COPMEA)-Treasurer from 1997 to 2000

Frank received a Bachelor of Science in Accounting from the University of Arizona. He is a Certified Public Accountant (CPA) with memberships in the American Institute of Certified Public Accountants; Arizona Society of Certified Public Accountants and Arizona State Board of Accountancy.

His experience includes (a) trustee/fiduciary oversight of COPERS investment plan assets of \$1.4 billion; membership of 8,900 active employees/3,900 retirees; (b) administrator over City of Phoenix Sales/Use Tax general revenue program totaling \$200 million annually; (c) trustee/fiduciary oversight of COPMEA operating revenues/investment plan assets of \$1.5 million and (d) private/public sector accounting, finance, internal auditing, budgeting and federal, state and local taxation.

If elected, Frank will devote his efforts to continuing the tradition of the best run financial institution by supporting innovation and process improvement; continuing financial soundness through oversight of sound business practices and regulatory compliance; promoting a seamless customer service environment through a one-stop-shop approach and promote a business climate of being a "step ahead" of what our members (customers) have learned to expect from the Arizona Federal family.

## Cathleen Gleason\*

Cathleen Gleason has been an Arizona Federal member for more than 25 years and has served on the Board of Directors since 1998. She has a Bachelor of Science in Business Administration and a Master's Degree in Public Administration from Arizona State University.

Cathleen has worked for the City of Phoenix for 22 years, and is currently a Deputy Director in the Budget and Research Department. Some of her responsibilities include revenue estimates, long-range forecasts and expenditure reviews for the city's annual operating budget of \$2.6 billion. In addition to her regular duties, Cathleen serves as a Board member for the City of Phoenix Employees Retirement System (COPERS). The COPERS fund has assets of more than \$1.4 billion.

During Cathy's tenure on the Arizona Federal Board of Directors, the credit union has grown from 14 to 20 branches and has enhanced electronic services. These improvements provide members with more convenient access to services. If re-elected to the Board, Cathleen will keep working to ensure that Arizona Federal continues to offer members very competitive loan interest rates and high quality services at minimal cost. The safety and soundness of members' deposits is the foundation for Arizona Federal's continued success.

## Roy Levenda\*

A member of Arizona Federal since 1984, Roy Levenda has served on the Board of Directors for ten years, following four years on the Supervisory Committee. His Board duties have included Vice Chairman and service on the Personnel, Finance and Executive committees.

Roy was employed by the City of Glendale Fire Department for 27 years and served as the Assistant Fire Chief for 13 years. He is currently the Fire Chief for the City of El Mirage. While serving members of Arizona Federal throughout the Valley and Tucson, he has also championed the enhancement of member services in the West Valley with new branch locations in Glendale, Deer Valley and two Wal-Mart In-store branches with extended hours.

If re-elected to the Board, Roy says that he will continue in his commitment to making Arizona Federal the best financial institution for all its members, including new members in the new Maricopa County and Tucson community charters. He will continue to strive for more convenient branches and member services such as evening and Saturday hours, more ATMs, enhanced home and shared branching, while maintaining the day-to-day basic services. Roy's goals also include continued teamwork

with Board members and credit union staff providing smart and careful planning, "a must to ensure the safety and soundness of Arizona Federal."

## Jerry Oliver

Jerry A. Oliver, Sr. is an able and experienced problem solver that knows how to set goals and achieve results. He was recently recognized by the US Attorney General as one of our nation's most prominent policing leaders and advocate for organizational preparedness and professionalism. In his more than 35 years of public service, he has served as the Assistant Chief of the Phoenix Police Department, the Director of Drug Policy in Memphis, Tennessee, Chief of Police in Pasadena, California, Richmond, Virginia and most recently Detroit, Michigan, our nation's seventh largest police department. He is currently the Special Policy Advisor to Arizona Attorney General Terry Goddard. Chief Oliver holds a Master's Degree in Public Administration (Public Finance) and a Bachelor of Science Degree in Criminal Justice, both from Arizona State University. He is a member of the FBI's 21st National Executive Institute.

An Arizona Federal member since 1970, Jerry was twice elected to the Arizona Federal Board of Directors between 1984 and 1989. During his tenure, several key policy and management decisions were made that set the stage for the phenomenal growth and success our credit union enjoys today. Jerry Oliver was one of the first board members to achieve advanced board leadership certifications and was a trusted representative of the Arizona Federal Board at the Credit Union Congressional Caucus in Washington, D.C. on several occasions. When re-elected, Jerry will work to further improve member benefits, branch services and courteous customer services to all members while stressing sound financial management of Arizona Federal assets.

## Ray Temple

An Arizona Federal member for over 24 years, Ray Temple volunteered and participated in the Arizona Federal Rep Program recruiting new members until he was appointed to the Supervisory/Audit Committee in July 1992. Ray volunteered in this capacity until October 2003 (over 11 years) to assure the "safety and soundness" of the credit union. Through these opportunities Ray has gained valuable insight about credit union operations, functions, and NCUA rules and regulations.

Ray's background includes a Bachelor of Science Degree in Accounting and working over 25 years with the City of Phoenix. The past 21+ years have been with the Fire Department where Ray's current position of Financial Services Manager oversees the Budget, Payroll and Ambulance Transportation Sections. Before the Fire Department, Ray worked in the City Controller's Office and Management and Budget Department. Arizona Federal and our members face tremendous challenges brought about by today's economy. Ray's financial background and extensive credit union service experience can be a valuable asset to Arizona Federal's Board of Directors in its endeavors to improve the credit union and its services to the members.

## Jack Thomas\*

An Arizona Federal member for 38 years, Jack Thomas currently serves as the Board Chairman, having been elected to the Board of Directors in 1993. He has also served as the Board's Vice-Chairman, Treasurer, Secretary, and was recently honored to serve on a National Association Ad-Hoc Committee supporting board/member services. Jack, a graduate of Arizona State University, also holds a CCP National Certification in Computer Sciences. In his 32-year career with the City of Phoenix, Jack served as Deputy Director of the Information Technology Department.

Jack continues to be committed to improvements in member benefits and services. During his tenure, Arizona Federal has paid over 5 million dollars back to members in interest rebates and bonus dividends, while consistently achieving the highest possible rating from Federal and independent auditors for safety and soundness. He championed the implementation of CU Online, providing 24-hour account access, while also seeking improvements with more conveniently located branches, no-cost ATMs, expanded weekend hours and Members' Auto Center which provides significant savings in purchasing automobiles. Many other services (i.e. 24-hour loan line, Insurance, Investments and Education Center) have also been implemented with Jack's support, along with employee development programs vital to providing great member services.

If re-elected, Jack will stress continued safe financial management while also focusing on further improvements to meet member needs, competitive loan and savings rates and providing the direct personal services every member deserves.

\* denotes Incumbent

# Member Advantage



Vol. 6, No. 1 • January 2005

Feature article: New West Valley Branches

Also in this issue: Camry Contest Winner Board of Director Petitions Due

## Announcing More Saturday Branches for 2005

In the tradition of new year's resolutions, Arizona Federal has made some new commitments to be even more convenient for our members.

Starting Saturday, January 8, 2005, all neighborhood Valley Arizona Federal branches will

be open 9 a.m. - 1 p.m. on Saturdays.\*

"We are thrilled to be able to provide this expanded Saturday service to our members," explained Ann Burns, Executive Vice President. "This helps us achieve our goal of offering a consistent

service experience six days a week, whether a member needs to complete a transaction, open an account, apply for a loan, or even purchase a new car through Members' Auto Center."

If 9 a.m. - 1 p.m. isn't enough time for you, our three In-store locations, 75th Avenue Wal-Mart, Avondale Wal-Mart and 48th Street Fry's, will continue their current 9 a.m. - 5 p.m Saturday hours.

To avoid waiting in the long lines on payday Friday, *next time* visit us on Saturday!

For a detailed listing of branch hours, please visit [www.azfcu.org](http://www.azfcu.org) or call a member services consultant at (602) 683-1000.

\* Excludes our 300 West Jefferson Street, 333 North 44th Street and Tucson locations.

### The times, they are a-changin'

These locations are now open 9 a.m. - 1 p.m. on Saturdays:

#### Phoenix

15625 S. 48th St.  
12401 N. Cave Creek Rd  
2650 W. Ross Dr.  
7227 S. Central #1010  
5151 N. 19th Ave.

#### Tempe

855 W. Baseline

#### Chandler

1311 W. Chandler Blvd.

#### Glendale

5505 W. Bell Rd.  
5485 W. Northern Ave.

#### Mesa

1457 W. Southern Ave.  
4403 E. Broadway  
1125 E. Southern Ave

#### Scottsdale

3396 N. Hayden Rd.

## More branches now "In-store" for the West Valley

On Saturday, November 13, 2004, Arizona Federal celebrated the addition of not one, but *two* new branches with simultaneous grand openings!

Our two newest branches are located inside the Wal-Marts at 75th Avenue and McDowell in West Phoenix and I-10 and Dysart Road in Avondale.

Although grand opening day was a typical busy Saturday at Wal-Mart, shoppers took time to open up savings

and checking accounts. Many shoppers also entered a drawing to win a \$250 Wal-Mart gift card, which came in handy for holiday shopping.

These new "In-stores" take Arizona Federal in a new direction by extending the credit union's presence in the West Valley. Many current members stopped by the grand openings to remark how happy they were to have a branch closer to their homes.

The 75th Avenue and Avondale In-Stores have already proven

they're going to have no problem being successful. Wal-Mart employees and shoppers alike are already touting their excitement of having a branch right inside their store. It's truly the ultimate convenience.

Now not only can Wal-Mart shoppers in the West Valley find "everyday low prices," they can also find great Arizona Federal products and services in one stop!



Noemi Gavino hands a Wal-Mart shopper a balloon and a flier during the grand opening of our 75th Avenue branch.

## Member Advantage

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is published quarterly for members of

Arizona Federal  
P.O. Box 60070  
Phoenix, Arizona 85082-0070

Editors: Kristin Leabo, Melissa Culbertson

### Audit Committee

Elizabeth Reynolds-Bissa ..... Chair  
Jeffrey Barton ..... Member  
Mary Modelski ..... Member

### Senior Management Team

Ronald L. Westad ..... President/CEO  
Ann Burns ..... Executive VP/COO  
Gary Ahlgren ..... Executive VP  
Jason Paprocki ..... Senior VP Quality Service  
Amy Hysell ... Senior VP/Chief Lending Officer  
Dyan Mashman .VP/Chief Technology Officer  
Therese Price ..... VP Research & Development

### Board of Directors

Jack Thomas ..... Chair  
Cathleen Gleason ..... Vice-Chair  
J.R. Pooler ..... Treasurer  
Kelvin Smith ..... Secretary  
Don Ayers ..... Director  
Tim Black ..... Director  
Tom Burgess ..... Director  
Roy Levenda ..... Director  
Monroe Warren, VAP\*, VLP\* ..... Director  
\*VAP = Volunteer Achievement Program designee  
\*VLP = Volunteer Leadership Program designee

### Branch Locations

#### Phoenix

15625 S. 48th St. \*  
12401 N. Cave Creek Rd. \*  
2650 W. Ross Dr. \*  
7227 S. Central #1010 \*  
300 W. Jefferson St.  
333 N. 44th St.  
5151 N. 19th Ave. \*  
2020 N. 75th Ave. (Inside Wal-Mart) \*\*

#### Tempe

855 W. Baseline \*  
2700 West Baseline Rd. (Inside Fry's) \*\*

#### Avondale

13055 W. Rancho Santa Fe Blvd.  
(Inside Wal-Mart) \*\*

#### Glendale

5505 W. Bell Rd. \*  
5485 W. Northern Ave. \*

#### Chandler

1311 W. Chandler Blvd. \*

#### Mesa

1457 W. Southern Ave. \*  
4403 E. Broadway \*  
1125 E. Southern Ave. \*

#### Scottsdale

3396 N. Hayden Rd. \*

#### Tucson

2900 E. Broadway, Suite 190  
1069 E. Silverlake Rd.

\*Saturday hours 9:00 a.m. - 1:00 p.m.  
\*\*Saturday hours 9:00 a.m. - 5:00 p.m.

TouchTone 24: (602) 683-1234  
(1-800-523-4035)

[www.azfcu.org](http://www.azfcu.org)  
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# Tax-Deferral Can Really Add Up

article contributed by  
**John Sneddon, CFP**

**T**ax-deferred growth, tax-deduction potential and a wide range of investment choices make the traditional IRA a good choice for many investors focused on accumulating wealth for retirement.

The power of tax deferral

Earnings on a traditional IRA accumulate free from current taxes until you begin to take money out of the plan. This tax deferral can really add up over time as the chart above demonstrates.

At the end of the 20-year accumulation period, Mary would have \$17,554 more (after taxes) in her tax-deferred investment than Kevin would have in a taxable investment.

Features and benefits

- Tax-deferred growth potential.
- Possibility to take a tax deduction for the contribution based on your adjusted gross income.
- Always fully deductible to those who do not have a retirement plan.

## Tax-deferred investing adds up

Kevin's \$60,000 taxable account	\$116,978	
Mary's \$60,000 tax-deferred account	\$148,269	(\$134,532 after taxes)

Assumptions

- \$3,000 per year over a 20-year investment period
- 8% hypothetical annual return
- 25% single taxpayer rate, standard deduction, 2004 tax rates, no other income (25% rate applied to lump-sum withdrawal)

*(Hypothetical results are for illustrative purposes only. Withdrawals of earnings or other taxable amounts are subject to income tax and, if made prior to age 59.5, may be subject to additional 10% federal tax penalty.)*

- May help to build significant wealth through the years.
- Available to anyone under the age of 70.5 who has earned income.
- Available to individuals who want to cover nonworking spouses.
- Maximum annual contribution for nonworking spouse is \$3,000 for tax year 2004, or \$4,000 for 2005.
- For both 2004 and 2005, an additional \$500 catch-up contribution is allowed if over age 50.
- Arizona Federal's investment representatives\* can help you plan your financial future by offering assistance with a wide range of financial options. To contact, a representative, call (602) 683-1000 or 1-800-523-4603.
- \* *Not NCUA insured- not insured by the credit union- may lose value.*



## Congratulations to Clay Normile, winner of the 2005 Camry!

Arizona Federal is thrilled to present the keys of a brand new 2005 Toyota Camry to **Clay Normile** and his family of West Phoenix. Clay won the "Win a Camry" contest from Members' Auto Center.

Three prizes were awarded in the Win a Camry contest: a 2005 Camry, a portable DVD player and a year of oil changes. The winners were drawn at random on December 6, 2004. The other contest winners are **Brad Tabor** of Chandler (portable DVD player) and **Erik Pamas** of Glendale (a year of oil changes).

# News & Notes

## File your taxes online

Once again, this year you can file your taxes online using Turbo Tax<sup>®</sup> for the Web<sup>SM</sup> from [www.azfcu.org](http://www.azfcu.org). Visit the website for pricing and availability.

Filing online can save you time and a headache. You can also have your refund deposited directly to your Arizona Federal account. To do so, you will be asked to provide Arizona Federal's routing number, which is 322172797.



## Keep your year-end statement

Your year-end statement contains important dividend information that you may need for tax purposes. Be sure to keep it and any other records in a safe place.

## Scholarship applications due in April

We are now accepting applications for Arizona Federal's Bob Bresnahan Memorial Scholarship, a \$1,000 scholarship awarded annually to at least three graduating high school seniors.

The Bresnahan Scholarship is named in memory of the late Bob Bresnahan, who was a member of Arizona Federal's Board of Directors for more than 10 years.

To be considered for the scholarship, a graduating senior must:

- Be an Arizona Federal member in good standing.
- Have a cumulative GPA of at least 2.5 on a 4.0 scale.
- Plan to attend a college, university or community college as full-time student.

• Submit a completed application and two letters of recommendation from instructors or employers, postmarked by April 4, 2005.

Applicants will be reviewed by a committee of Arizona Federal volunteers based on GPA, financial need, understanding of credit union philosophy, community service and letters of recommendation.

To receive a scholarship application, visit any Arizona Federal branch or our website, [www.azfcu.org](http://www.azfcu.org) or call (602) 683-1032.

## Apply for a grant for your volunteer organization

Arizona Federal members who volunteered at least 25 hours for a single nonprofit organization during 2004 may be eligible to apply for a grant for that organization through Arizona Federal's Community Partners program. Grant applications must be received by March 7, 2005. Applications are available in any branch, at [www.azfcu.org](http://www.azfcu.org) or by calling (602) 683-1032.

## Earn a higher rate with Arizona Federal's new 60-month IRA certificate

For members interested in earning a higher rate IRA investment than our current 12- and 18-month options, Arizona Federal now offers 60-month IRA certificates. IRAs are a cost-effective way to save for retirement since the investment is tax-deferred. IRAs can even be tax deductible (*see your tax advisor for details*).

## Revised Membership, Accounts and Account Services Agreement

Arizona Federal has made changes and revisions to the Membership & Account Agreement. Many of these changes are intended to clarify our agreements with members. Other changes were made to reflect changes in the laws governing the accounts and services we provide.

### Membership, Accounts and Account Services Agreement

The **Membership Benefits and Obligations** section has been updated to clarify the use of services in relation to repayment of debt. **Membership Eligibility and Future Services** has been updated to reflect the credit union's reporting of defaults to credit reporting agencies/bureaus. We have added a paragraph titled **Substitute Checks** and also language defining Temporary Holds in the **Transactions From Your Account(s)** section. We have added a paragraph to reflect how reserves on transaction accounts are calculated. We added a paragraph about the use of our preferred check vendor. The **Statements** section has been expanded to clarify that a request for an original check will be satisfied with a copy of an electronic image of the original paid check. We have modified **Statutory and Consensual Liens on Shares** to clarify that account balances are subject to payment of outstanding obligations. We have added a section **Additional Benefits/Card Enhancements** as being occasional offerings and subject to change. **Member Organization or Business Accounts and Multiple Party Accounts** paragraphs have been updated to add clarification relative to who can act on behalf of an account. A section has been added about account balances and beneficiary minors. **Costs, Expenses and Attorneys' Fees** has been expanded to define situations that may incur attorneys' fees.

### Electronic Signatures, Contracts, Records and Email

We have updated **The Electronic Services Agreement** section to include language about undeliverable e-mails. The **Equipment and Software Requirements** section has been expanded to include a software and electronic service disclaimer, including a virus liability disclaimer. An **Electronic Records** section has been added about electronic records retention.

### Electronic Funds Transfers Agreement and Disclosures

The **General Rules For Using Your Access Devices for VISA Foreign Currency** section has been modified to reflect the April 2005 elimination of the 1% currency conversion fee. **Your Liability for Unauthorized Transaction** section was updated to clarify liability for unauthorized use of VISA Check Card.

### Credit Union Home Banking Services Agreement

Additional Information in the **Home Banking Services** section has been enhanced in defining the use of Bill Pay and a section about personal financial manager software was added.

### Privacy Policy and Agreement

We have added sections **What Members Can Do To Help** and **Protecting Children** regarding confidential information.

### UCC Funds Transfers Agreement And Disclosure

The **Security Procedure(s)** section has been simplified and reworded.

### Term Share Certificate Accounts

Clarifying language has been added to the terms and payment of dividends for the early withdrawal of term certificates.

### EFFECTIVE DATE FEBRUARY 1, 2005

The revised Membership and Account Agreement shall be effective February 1, 2005. You may obtain a copy of the new agreement at any branch or call Arizona Federal at (602) 683-1000 to request a copy be mailed to you.

## Holiday schedule

All Arizona Federal branches will be closed on the following dates:

- **Martin Luther King Day**  
Monday, January 17, 2005
- **Presidents' Day**  
Monday, February 21, 2005

For your convenience, branches with Saturday hours will be open on Saturdays during holiday weekends.

## Curious about your credit?

You may now request and obtain one free credit report each year. To submit your request:

- Visit [www.annualcreditreport.com](http://www.annualcreditreport.com)
- Mail your request to:  
Annual Credit Report Request Service  
P.O. Box 105281  
Atlanta, GA 30348-5281
- Call: 1-877-322-8228

## Two Free Educational Seminars

Two free member education seminars will be held this quarter:

### The Golden Years: Planning for Retirement

Wednesday, January 19, 2005

Most people's retirement dreams don't include worrying about money. Participants in this workshop will learn how to harness the power of time, how investments can be used to reach long-term goals, and how inflation and taxes will impact their retirement dollars.

### Identity Theft

Thursday, January 20, 2005

This presentation provides an overview of common identity theft practices, tools for preventing identity theft and specific steps for victims of these kinds of crimes to take in order to minimize damage.