

THE SAN FRANCISCO POLICE OFFICERS' ASSOCIATION and S. F. POLICE CREDIT UNION **NOTEBOOK**

VOL. 1, No. 2

December, 1960

MINUTES OF THE OCTOBER 18th MEETING

The meeting was called to order by President Bob McKee at 8:05 P.M.

Roll call of officers.

Reading of the minutes of the previous meeting waived.

Communications: Letter from Dion R. Holm containing a favorable opinion in the false arrest insurance matter.

Treasurer's Report rendered and accepted.

M/S that the bills be paid. Passed.

Due to the fact that it was Candidates' Night there was just a short business meeting.

P.O.R.A.C.—Report on Conference in San Diego.

M/S that \$250.00 be donated to the Campaign for Proposition 5. A measure which would increase the salaries of the state legislators. Said money to be given through State Senator McAteer. PASSED.

Discussion about financial assistance promised a member in a matter involving civil action arising in 1956 indicated that the membership wished to keep its promise of assistance and the following motion was made and seconded:

That \$300.00 be paid to Officer Donald Willett as financial help in a civil action. PASSED.

The meeting then adjourned for Candidates' Night. The following speakers appeared:

Mr. Douglas Phillips for Proposition
(Continued on Page 2)

PROPOSITION "D" DOWN THE DRAIN

Christmas Party

The Annual Kids' Christmas Party for children of Association members will be held at the Parkside Theater on Saturday, December 10 at 9:30 a.m. Admission will be by Association card, no advance reservations necessary.

There will be candy filled stockings for all of the children and one boy's and one girl's bike will be given as a door prize.

If your children do not make it don't blame the Association, it's up to you to get them there.

False Arrest Matter

Dion R. Holm, the City Attorney, has given a favorable ruling in the question as to whether or not the city could legally provide us with False Arrest Insurance. According to Mr. Holm's opinion the City could do so without violating the charter.

This matter has been pressing us for some time now. Your Association representatives and the Legislative Committee were waiting for the opinion before any further action could be taken.

It will now be presented to the Judiciary Committee of the Board of Supervisors for their action. You will be posted as the matter progresses.

The abject failure of what a great number of city employees thought was a fair proposal is another ribbon on the chests of those who have again shown their regard for a working person.

The usual opposition from the Municipal Conference, who historically support bond issues and oppose city employee measures again reared its head. The newspapers in their usual unbiased fashion called Proposition "D" patchwork and told us how they would support sweeping retirement reforms presented to them.

If "D" was a patch it covered the whole quilt! It affected every city employee and there is room for more than idle curiosity about our press and their conception of needlework.

The final tally that was printed in the papers was Yes—97,165 and No—156,506. It indicates resounding defeat but we weren't alone at all, the retired people and their Proposition "G" also took quite a bath.

Religious Issue

It appears that there was a religious issue involved with "D" & "G." Those worshippers at the throne of money and so-called tax economy zealously opposed what actuaries felt was not too expensive. An employer has a moral obligation to see that his employees are treated fairly, our employers failed to do so again.

This was not an amendment thought up by people who were trying to bilk the city and her tax payers. It was an attempt to provide a decent living for people who give their careers to city service and retire on a frozen amount of money. Is it unfair to ask for enough money to allow one to live a comfortable retired life?

Let's Consult the Experts

We should go to these people who worry so about their money and to the press which is the guardian of public
(Continued on Page 2)

DEDICATION

We respectfully dedicate this issue of the Notebook to the memory of Retired Lieutenant John H. Conroy, a former President of our Association and one of the first delegates to the National Conference of Police Associations.

Brother Conroy passed away on Veteran's Day which was an important day all through his career as he was one of San Francisco's more active Legionnaires.

REPORT OF P.O.R.A.C. CONFERENCE

This conference was held in San Diego, October 12, 13 and 14. In attendance from our Association were Nick Galousin and Peter Gardner.

The meeting opened with a greeting from various dignitaries from San Diego; the agenda was approved; committees appointed and the business of the conference began.

First there were some technical changes in the By-Laws regarding the field of membership and the forming of local chapters.

The Legislative Committee reported through Inspector Ed Davis of the Los Angeles Police and Fire Protective League.

A bill which would amend section 245 of the Penal Code is going to be presented through P.O.R.A.C. in Sacramento next session. This bill will make it a separate offense to assault a peace officer engaged in official duty, it involved felonious assault and upon conviction carry a sentence of 10 years in the state prison. If the defendant had been convicted of a prior felony, not less than 5 or more than 10 years.

Davis reported that due to the commotion over the death penalty action was postponed last year and it will be seen through this session.

He also proposed that we attempt to separate ourselves from non-public safety employees without changing anything in the existing heart bill. The advantage would be that when we ask for something no other group could jump on the bandwagon and overload it.

New legislation which is going to be presented this session is a bill to change Section 21300 of the Government Code wherein the earning power of a man retired on disability retirement would not be affected as it is now.

P.O.R.A.C. opposed Police Review Boards, 1% unemployment insurance paid by peace officers; unionization and the bonding of policemen. The conference concurred with getting peace officers into a separate section of the Labor Code for purposes of making future changes.

Another important report was made by the Legal Research Committee chaired by John Ingersoll of Oakland. This report dealt with phoney police magazines and attempted to inform the members about the danger that they represent in California. They also reported on the problem of citizens making false reports about peace officers and the fact that there is a move underway to absolve citizens who make

such false reports. The committee will keep the membership informed on all the developments of both of these issues.

The movies of the City Hall riots were shown to the delegates and they had nothing but praise for the way in which the San Francisco policemen involved handled themselves. After the movies there was a discussion about some of the groups who are in favor of police review boards and the way that Los Angeles handled the problem.

Reports were given by the Public Relations Committee, the Professionalization Committee and the Membership Committee.

The Annual Survey of Conditions and Benefits was distributed and there is a copy available for inspection through the Secretary of our Association.

P.O.R.A.C. has grown and is now, more than ever, a good thing for us to belong to. It gives us some strength on a statewide basis and good representation in Sacramento.

Your delegates came home with a renewed belief in P.O.R.A.C. and a hope of instilling this belief in the membership of our Association.

Two More Champs

The list of sports champions in the San Francisco Police Department was increased again this season. Ray Costello of Potrero Station won the Lincoln Park Golf Club title and Dave Lomski, also of Potrero, won the annual South End Rowing Club Gate Swim.

PROPOSITION D

(Continued from Page 1)

opinion and justice. We should ask their expert advice on what is and what isn't patchwork and what would be a fair retirement system. The Municipal Conference would have us go under Social Security which has no disability protection for policemen or anybody else. They might like to propose a bond issue to expand the Laguna Honda Home so that all retired city employees can move in at retirement and receive institutional food and regimented living. This would be the cheapest way.

It could be that these financial wizards could solve what is proving to be a serious social problem.

Care for the aged is a national problem but retired city employees should never have to worry because the experts will reach a solution, possibly even by 2060 A.D.

What Kind of a Santa Are You?

Do you finance Santa at your house? Does the size of his pack—and his smile—depend on you?

If you're "Santa" for the family, you probably start with a long list of names, an empty sack, and very few ideas about who's going to get what. (Poor Santa)

Then in the stores the piles of gifts begin to remind you of the hints you've overheard. Suddenly, the list is no trouble. There are gifts for all on your list—and then some. (Happy Santa)

If you shut your eyes, you can just see all those happy, smiling faces, Christmas morning. Why, you have no worries; no cares. You'll just buy everything. (Good old Santa)

But when they hand you the bill, a Crisis appears. No need to describe it. As common as a cold, or tired feet, the pre-Christmas Crisis is a Shortage of Cash. (Alas, Poor Santa. All is lost.)

But not all. If you remember the "CU" stands for "Crisis Unsnarler" and get in touch with the Credit Union. We have plenty of cash, waiting to help solve problems like this. (Smart Santa)

We probably can make up the difference between what you have and what you need . . . so Christmas can be what you'll like it to be, while you're —A Santa on top-o'-the-world.

If the Christmas Crisis of a Cash Shortage comes your way this year, call, write, walk or run to your "CU." Crises untangled with pleasure.

MINUTES OF OCT. MEETING

(Continued from Page 1)

No. 1; Mr. Nick Verreos for 5th Congressional District; Mr. John Busterud for 22nd Assembly District; Congressman Wm. Maillard 4th District; Mr. V. Anderson against Proposition 15; Mr. A. Muschi for 20th Assembly District; Mr. Milton Marks for 21st Assembly District; Mr. Philip Davies for 4th District Congress; Mr. Tom Dolan for 19th Assembly District; Congressman Jack Shelley for 5th District; Mr. L. Hatch for Vice-President Nixon; Mr. J. Kelly for Senator Kennedy; Mr. R. Scrofani for 23rd Assembly District; Mr. J. O'Connell for 23rd Assembly District; Commission J. Karesh for Superior Court Dept. No. 9; Mr. Ed Gaffney for 24th Assembly District; Mr. Chas. Meyers for 19th Assembly District and Mr. Frank Brann for 22nd Assembly District.

Respectfully submitted,
Peter Gardner,
Secretary.

\$1000.00 ADDITIONAL INSURANCE FOR WIDOW AND ORPHAN MEMBERS?

By JAMES J. DIGGINS

I think it can be safely ascertained that the Policemen's Ball will not be held this year, nor any year in the future. Certainly the adverse publicity brought about by the audit was a factor in the elimination of the Ball. Also, not to be overlooked was the fact that the Firemen had bid farewell to their Grand Ball in 1959. However, the overwhelming argument against having a future Ball is the realization that the Widows and Orphans Aid Association had finally grown to such a financial stature, that it could now maintain itself. This was the major point raised by the members of the police commission.

The police commission was not against the Ball if it was necessary in order to continue to meet the present benefits paid by the Widows and Orphans. However, if the organization is now self sustaining they could not see any reason why we should continue to solicit monies from the people of San Francisco.

WHERE DOES THE WIDOWS AND ORPHANS GO FROM HERE? Plan No. 1

We can continue as we have been doing, investing in government bonds, and get by. Our average deaths over the last 14 years has been 34 annually. This means an output of $34 \times \$3,500.00$ or \$119,000.00 annually in death benefits. Our average yield from government bonds has been 3%. This would give us an annual income from bonds of $3\% \times 2,000,000$, or \$60,000.00 (Based on current assets). This together with our income from dues \$64,000.00 gives us a total income of \$124,000.00 annually. Our operating expenses run close to \$4,500.00. Simple subtraction gives us a net of \$500.00, which means we are cutting it pretty close.

Plan No. 2

We could place our funds with one of the several investment companies that have contacted us within the last six months. If we received 4% return on our investments, this would give us an estimated net income of \$20,500.00 or \$20,000.00 better than Plan No. 1. (Based on a return of only 3% in Plan No. 1). Of course in this plan our assets tend to increase as the value of our stock increases. However, it could likewise go in the other direction. Had we invested 6 months prior to the election, chances are we would have sustained a setback.

Plan No. 3

We could place our funds with an insurance company.

We discussed this with one of the countries largest insurance companies. We were surprised to find that if we turned over our fund of \$2,000,000.00 to them, they would have to pay a

premium tax on this of \$50,000.00. You can rest assured that this amount was not going to come out of their pockets.

The first offer they made was this: "We will give you an additional \$1,000.00 insurance, or \$4,500.00 if you will 1. turn over your funds to us. 2. you will be charged \$3.32 per month dues subjected to increase or decrease if the death rate climbed or dropped.

OR — Keep your funds, but drop the men over 65. Set aside 1 million dollars out of your two million to take care of their death benefits. We will then give you \$3,500.00 coverage at a rate slightly less than the \$3.00 dues we now pay." This gives us the same coverage we now have, but at a slightly reduced rate. This would leave us with one million dollars for investment. However it has yet to be suggested what we should do with the dividends, or for that matter the capital.

Plan No. 4

NEW FORMULA PROPOSED

Last, but not least of the suggestions proposed is that the Widows and Orphans invest their money in trust accountants in the San Francisco Police Credit Union.

This has three immediate advantages:

1. One thousand dollars added insurance for all the members of the Widows and Orphans Aid Association.
2. The Widows and Orphans would receive $33 \frac{1}{3}\%$ more on their investment. (This is based on the $4\frac{1}{2}\%$ dividend paid by the Credit Union for 1959)
3. For the first time in the history of the Widows and Orphans Aid Association, policemen will be able to use their own money. In other words, this money would be loaned back to them in the form of personal or home loans.

Let us explore point No. 1, the added \$1,000.00 insurance. Under this plan, the Widows and Orphans would have \$1,000.00 in each members name under the age of 70. This would be a trust account, and could not be with-

drawn by anyone except the Widows and Orphans Organization.

The Credit Union has a contract with CUNA Mutual Insurance Society which insures every member dollar for dollar up to \$2,000.00 if the money is invested before the age of 55. In our case, that of the Widows and Orphans, each man under the age of 55 would automatically be insured for an additional \$1,000.00 over and above the \$3,500.00 now paid. If the \$1,000.00 is invested between the age of 55 and 60, it is worth 75% or \$750.00; in insurance. If the \$1,000.00 is invested between the ages of 60, and 65, it is worth 50% or \$500.00 in insurance, and if the \$1,000.00 is invested between the ages of 65, and 70, it is worth 25% or \$250.00 in insurance.

Now, the question is asked, how about the men between the ages of 55, and 70?—Certainly their insurance benefits will be less than that of the younger man; and how about the man over 70, he seems to be left out in the cold.

Under this plan he won't be. The Widows and Orphans stand to receive approximately $4\frac{1}{2}\%$ on their investment. This is $33 \frac{1}{3}\%$ more than they have been receiving on their bonds, or \$30,000.00. This amount should be more than adequate to pay the older members the sum up to \$1,000.00 that the insurance company does not pay. Or, in the case of the men over 70, a full \$1,000.00. One point we must remember is this; that the Widows and Orphans will not go on forever supplementing insurance for the older members. It stands to reason that as the older members pass on, the men under 55 will gradually take their place, and they will already be fully insured for \$1,000. Meanwhile the increase in income of from 3% to $4\frac{1}{2}\%$ will gradually return to the treasury of the Widows and Orphans.

Let's take a look at another very important point. For many, many years policemen (members of the Widows and Orphans) have been letting other people use their money, and receiving only average dividends in return. Under this plan they would be able to use their own money to purchase homes to improve their homes, to purchase automobiles, appliances, and for a thousand and one reasons that a family needs additional capital. On top of this the return to the Widows and Or-

(Continued on Page 6)

A Word to the Wives

MONEY PROBLEMS?

Read what your Credit Union can do for your family! Your Credit Union is more than a place to borrow and save. It is a **DEPENDABLE SOURCE OF HELP IN ALL MONEY MATTERS.**

Whether you're the "Business Manager" or not, you do a big percentage of the family buying. You can help get more living out of your family's income, just by learning more about using your Credit Union.

FIVE WAYS THE CREDIT UNION CAN HELP YOUR FAMILY:

1. When you have too many debts . . . There's nothing like a fresh start. If money is tight and bills are past due, your family should carefully consider a "consolidation" loan. Visit the Credit Union with your husband, and learn how you can reduce your obligations to one loan and one monthly payment (usually at less cost, too!)

2. When you save less than you should . . . Your Credit Union makes it easier to save in small amounts or large. The money you save helps others who need to borrow, and generous dividends are paid on your shares each year. You can encourage your husband to save a few dollars on payday, or whenever he gets a check. We'll bet you can save an extra dollar or two out of the house money, too. At your Credit Union, you can save even while repaying a loan!

3. When you have a goal . . . You can have anything you want, if you are willing to wait and save for it! For you, that might be a down payment on a home, a college education for the children, new furniture, a boat or a trip to Mexico. Time passes quickly; your objective is closer than it seems. If you can save \$15 a month, you can have over \$1,000 in 5 years.

4. When you need to buy . . . "Easy payment" plans are everywhere, but few are as good as they sound. Most credit plans cost too much to begin with; others tack on extra charges. Never sign on the dotted line until you and your husband can get advice and compare costs at your Credit Union. The Credit Union offers you a better deal, practically every time.

5. When you teach your children about money . . . Use the Credit Union to show children how people can manage their own money intelligently. Explain the importance of the savings habit, and the many uses of

wise borrowing. Let them become Credit Union members themselves. These lessons will help them all through life.

If you're a "working wife!" You add extra income for the family—but you also add extra expenses, both actual and hidden. Make certain that now and later—and when you stop working—you will have sufficient gains to be worth the time and trouble. Your family's money will go farther if you and your husband use the Credit Union together, for all your savings and borrowing.

Your Credit Union is a family institution. Your Credit Union is owned by the families who use it. It is not concerned with commercial investments, not business interests, but only the personal money needs of the families who belong. Your Credit Union is always more interested in helping you than in selling you service.

How to Plan Xmas To Fit Your Home

FIRST make up your mind that Christmas is not a contest. This year, you will not try to out-spend other people. Instead, you will **PLAN** your purchases and buy what you can afford.

AND THEN — Keep your head when you do your shopping!

1. Pay cash when you can. It costs too much to "finance" small purchases.

2. Use your charge accounts (**only** for the 30 days you are allowed). It is convenient, provided you can control your impulses to buy.

3. Use your Credit Union (if you must borrow). It is your own source of low-cost credit and dependable advice.

4. Leave your shares alone. It is always harder to save your money a second time.

It is a happier Christmas if your debts are under control.

NEXT YEAR—how to plan Christmas to fit your home. Start saving earlier. Do a better job of getting ready for Christmas next year. Join the Christmas Club—start saving in November—we will help and payroll deduction will make it easy. Take advantage of your Credit Union Christmas Club dividends.

HOW MUCH WILL IT COST ME?

Time and time again, both in the office and out in the stations and details, we hear that question "How much will it cost me?" By that the potential borrower means "What is the interest cost on my loan?"

It would simplify things for the borrower if instead of asking about interest cost he just asked what the money cost per dollar would be. That is a much easier question to answer. Why? Because the cost is easy to explain; just 5 cents per dollar per year if the loan is being paid off with regular monthly payments. That nickel per dollar is the average cost on the basis we loan money; $\frac{3}{4}$ of 1% per month on the unpaid balance.

Some of the sharp money men in the department say that $\frac{3}{4}$ of 1% per month on the unpaid balance means the money costs 9% a year. That is true if you mean 9% **simple interest**. There are probably more ways of figuring carrying charges or "interest" than there are days in the year. There are interest, carrying charges, finance charges, simple interest, add-on interest, discount interest and so on, far into the night. Simple interest means the cost of a dollar if held for a whole year. However when you make regular monthly payments you don't really have the use of each dollar for a whole year. By the time the year is half over, you have repaid the Credit Union approximately half a dollar. So therefore you can still pay 9% **simple interest** and still only pay 5c a dollar for the use of the money, if repaid in regular monthly payments.

So keep this fact in mind—no matter what "interest" rate other loaning agencies offer you—check the actual money cost. If it costs you more than a nickel a dollar a year with regular monthly payments you can do better at the Credit Union. And—in addition—no one else will offer you cost free insurance which will entirely pay off your loan if you die or are totally and permanently disabled.

The C.U. will be closed on Monday through Friday — day and night — December 26th through 30th. Year end reports, income tax statements to members. We regret that it will be necessary to close the office for an entire week but it would be impossible to continue operations and still give the membership the tax assistance they have learned to rely on.

A Serious Talk About CREDIT

Some credit is better than other.

When you can buy a pair of shoes, say, in a department store on a regular charge account, that credit cost nothing.

"Free" credit is the best credit you can get.

But very few people get enough free credit.

When they buy a car, an appliance, fix up their home, get furniture or buy more than any store wants to charge them on a regular account, they may still get "credit" but it costs money.

Usually that extra cost is added right in the payments. Sometimes it's called a carrying or handling charge; sometimes it's called interest.

Sometimes the man doesn't even mention it, but when you add up all your payments, they come to more than the price tag.

Once in a while the payments are exactly the same as the price tag, but if you ask you find out you get a good bit off for "cash."

No matter how they slice it, it all comes out the same. Credit costs money.

The trick is to use the least expensive credit you can every time you buy. You'd be surprised how much money you can save that way.

... and chances are, except for "free" credit, the very least expensive credit you can possibly get is right here at the credit union.

So, if you want to save money, get in touch with us every time before you make arrangements to buy "on time."

We can tell you quickly, whether you'll be better off to take the credit where you buy or to borrow from us and pay cash. We'll always tell you which way is best for you. You can depend on that.

Be a Serious Saver.

There's really only one satisfactory way to put money aside. Do it regularly. Regular investments in your credit union, no matter how small, will soon grow to useful, helpful sums. They'll earn money for you, too.

"We are friendly people to deal with ..."

a: Sure, but some finance company will probably hold my contract. No offense, mister, but the friendliest people I know to deal with are my friends and fellow members at the credit union, where I am an owner. You and I should stay friends, however, because I will need parts and repairs later.

Lloyd Crosbie Wins 91st Div. Medal

"All cars ... 1280 Great Highway ... A holdup in progress!"

At 4:47 a.m., December 22, 1959, this call sent five Taraval cars rushing to the Pacifica Motel.

First to arrive was Patrolman Lloyd Crosbie. As he sprang from his car he observed suspect William O'Dell, 20, pressed against the office wall and ordered him to open the door. With drawn gun he entered the office and found Earl Back, 23, hiding under a couch, loaded, cocked revolver in hand, Crosbie kicked the gun from the bandit's hand and found a third suspect, Lew Witter, 20, concealed behind the counter next to the motel owner who was bound hand and foot.

The three holdup men had forced their way into the office at gun point and relieved the owner of \$193.00. They bound and gagged the victim and were preparing to escape when Crosbie arrived.

Crosbie's quick and daring action not only averted a gun battle, with possible dire results, but halted a series of motel robberies. The trio confessed to two other recent stickups.

For this outstanding arrest Crosbie was awarded not only a First Grade Meritorious but was chosen as this year's recipient of the coveted 91st Division Assn. Medal of Honor, customarily presented to San Francisco's Bravest Policeman of the year.

Born in San Francisco, the 30-year-old Lincoln graduate entered the Police Department in February, 1955, having been a steamfitter "on the outside." His present assignment is Taraval Three, a remarkably active car patrolling the northwest corner of the Sunset. Two nights a week he pins his star behind his lapel and works Operation S.

A native San Franciscan, Crosbie resides in the Sunset with his pretty wife, Claire and his son Guy.



*A Very Merry
Christmas
and a
Happy
New Year
To All*

Additional Insurance for Widow and Orphan Members

(Continued from Page 3)

phans is still 33 1/3% higher than we have received before.

LET'S REVIEW SOME OF THE OTHER ADVANTAGES

1. The Widows and Orphans will make full use of it's dollar by investing for additional insurance for it's members, and by making capital available for policemen, and their families to utilize. In addition, the Widows and Orphans will retain full control of it's capital, as an investor would in a bank. You aren't giving your funds to an investment company to gamble in stock, nor are you turning money over to an insurance company, and sacrificing \$50,000.00 for the privilege of doing so.
2. How is the money protected?
 - A. The Credit Union carries a 2 million dollar blanket bond which protects against robbery, burglary, embezzlement, mysterious disappearance, etc.
 - B. The Credit Union is under the supervision of the Division of Corporations, State of California, and as such is subject to an annual audit of it's books by state auditors.
 - C. The Credit Union employs the services of one of the largest auditing firms in the country. They in turn make an annual audit entirely separate from that of the State, and also make unscheduled quarterly checks.
 - D. The Credit Union has a supervisory committee which also verifies the Credit Union records.
 - E. The Widows and Orphans in the future will undoubtedly employ the services of a certified public accountant who will in turn check the operation, and investment of the organization.
3. The basic structure of the Widows and Orphans will not change. Under this plan, we would still pay our dues by payroll deduction, or directly to the Hibernia Bank.
4. This plan is designed to encourage full department membership in the future.
5. This plan already has the clearance

necessary from the board of directors of the Credit Union, and by CUNA Mutual as well.

6. This plan is not new. It is already in existence in the east, and as close to us as the Lafayette Fire Department across the Bay.

Finally, this plan combines the advantages of the previous plans; additional insurance for the members; increased return from investment, and in addition allows policemen the use of their own money.

WHAT ARE THE DRAWBACKS

First of all, it is estimated that it would take approximately 1 1/2 years to put this plan fully into effect. The Credit Union should be able to absorb the first million dollars in say six months, and the second million in another year.

Suppose it was not possible for the Credit Union to absorb more than one million dollars—what would happen to the plan then?? Nothing!! In this case we would invest the money in the trust accounts of the men under the age of 55, giving us the greatest insurance return for the dollar invested. The men over the age of 55 would receive the additional \$1,000.00 insurance from the funds of the Widows and Orphans. This would increase the cost of the plan to the Widows and Orphans but only for a time until the group under 55 replaced the elder members.

Secondly: CUNA Mutual will only insure a person up to \$2,000.00 in any one Credit Union. So a person that now has full \$2,000.00 invested in the Credit Union for insurance may think he is out in the cold, but he does have an option. First of all, he can transfer \$1,000.00 of his shares to his wife's name, or to one or more of his children, or he can set up trust accounts for his grandchildren. He can withdraw \$1,000.00 from his own account, and invest it in Central Credit Union of California, and thus pick up additional insurance in this manner.

Finally, this plan would place an additional burden on the credit union. However, the Credit Union was organized for service, and the members of the board of directors feel that the additional work would be overcome by the benefits provided.

CONCLUSION

These facts have been set forth so of

that you will have ample time to consider them before the plan is presented to the board of trustees for the first reading. Discuss the plan among yourselves; find it's strong points, and it's flaws. Know what can be done with your money. Then VOTE!!!!

Financial Statement

(e)	Total Loans (1743).....	2,409,515.64
104	Cash	41,221.55
105	Petty Cash	10.00
106	Change Fund	500.00
107	U. S. Government Obligations.....	
108	Savings & Loan Shares.....	25,005.28
109	Loans to other Credit Unions.....	
112	Furn., Fixt. and Equipmt.....	7,443.36
113	Unamortized Organization Cost	
114	Prepaid Insurance	1,416.78
115	Other Assets	825.50
	League Dues	405.00
	John Hartford	20.00
	Withhold'g & Soc. Sec. Tax.....	435.80
	Total Assets.....	2,486,798.91

LIABILITIES

301	Accounts Payable	
302	Notes Payable	564,000.00
304	Withholding Taxes Payable.....	
305	Social Security Taxes Payable.....	
	Xmas Club	15,720.00
310	Shares	1,746,632.51
311	Regular Reserve	39,062.20
316	Fees	85.00
312	Undivided Earnings	40,433.82
313	Gain or Loss	80,865.38
	Total Liabilities.....	2,486,798.91

STATISTICAL

Item	Number	Amount
1 No. accts., end of period....	2678	
2 No. of potential members....	1800	
3 Loans made year to date....	1545	1,103,648.98
4 Loans made since organiz.	9780	7,190,420.12

'Tain't wise . . .

To withdraw large amounts now! Money you've invested in the Credit Union earns dividends every day. But you lose those dividends if you withdraw money before the end of our dividend period.

You can make money by borrowing, instead. If you borrow now, the dividends you save may amount to more, in dollars, than the interest you pay on the short-term loan. So . . .

be wise . . . Ask about "share pledge loan" if you need any substantial amount of money now. The few minutes it takes to process a Credit Union loan may earn you a mighty high rate