



Te Uniana Whakanama Pirihimana

BLUENOTES

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Luckily, Helen and the team had done such a fantastic job of preparing for extreme circumstances that the business was already functioning smoothly with everyone working from home. Another demonstration of the tremendous legacy that Helen leaves as departing CEO. She will be missed.

The last couple of months in lockdown has seen the country go through a period of unprecedented change. Overnight our lives and priorities adjusted as we all learnt to adapt to social distancing and spending a lot more time at home.

Whilst we hope the immediate threat of the virus is receding, we know the long-term damage to the economy is likely to be substantial. We already see small businesses struggling and no doubt that for many their jobs will be at risk. It is

UPDATE FROM OUR CEO



Wow, what a time to start in a new organisation.

Joining the Police Credit Union in mid-April certainly threw up some challenges with the country already in the midst of full lockdown.

going to be a difficult time for many Kiwis, and we know that includes our members and your families.

During this time of uncertainty, we know our Police family have been on the front-line taking risks to keep other people safe. Thank you.

During all this economic uncertainty your Credit Union is here to help in any way we can. Under our Blue Trust financial capability initiatives, we have rolled out a series of online webinars designed, alongside the Commission for Financial Capability, to provide practical advice on a variety of money matters. From 'Navigating COVID-19' to 'Debt' to 'KiwiSaver and Retirement' to many more there is a wealth of material to help get you and your family 'Moneywise'.

As well as guidance and support we also have practical solutions to help.

As your Credit Union we can offer the opportunity for you and your family to borrow from us at rates that are generally lower than other alternatives in the markets such as banks or other forms of retail finance. If you are thinking about taking out lending for debt consolidation, financing a vehicle, renovating your home or for any other purpose then make sure you talk to us first.

We're here to help.

If you have any comments or feedback then please drop me a line as I'd love to hear from you, you can contact me direct on **04 471 4850** or **joe.bishop@policecu.org.nz**.

Joe Bishop
Chief Executive

NEGATIVE INTEREST RATES

You may have seen commentary about negative interest rates in the news recently. But what does it mean for you?

The Official Cash Rate (OCR) is already at a record low of 0.25%, and some economists have predicted that the economic impact of COVID-19 will see the OCR reach a negative rate early in 2021.

Negative Interest Rates explained

In New Zealand, there are two kinds of bank deposit rate. Firstly, there is the wholesale or institutional rate which is the interest rate that banks pay each other when depositing funds. With negative interest rates the banks would be charged for holding their money with the Reserve Bank, or each other, rather than lending it out.

But does this mean the rates I am offered as a depositor would become negative? Not necessarily.

For retail customers, like you, a negative cash rate is unlikely to mean you'll be penalised for having your money in a savings account. This is because no household or business actually pay the official cash rate. It is more likely that banks or credit unions, like

Police Credit Union, would hold the deposit rate at least zero if not a bit higher.

Unfortunately, nor would it mean that any borrowing you have would result in you receiving interest rather than paying it. A negative OCR would see the floating and fixed mortgage rates fall a little lower than they are currently, just like any standard OCR reduction, but they would ultimately stay in positive territory.

The Reserve Bank has said it would keep the OCR at 0.25% for at least 12 months in March 2020 so it is not expected that negative interest rates would happen before then. The timing will in part depend on whether banks in New Zealand have the systems in place ready for this change.

It is without a doubt an uncertain time economically for many New Zealanders. At the Police Credit Union we exist to support our police family with their financial well-being with the best deposit and borrowing rates we can offer, along with financial capability webinars to help you get in control of your money. Please don't hesitate to contact us to find out how we can help.

Stay safe out there!

Talk soon . . .

Money Penny

ONLINE STATEMENTS

We've listened to your feedback and will be delivering email Account Statements by the end of the year.

We are excited to be able to provide electronic statements which means you'll have immediate access to your statements on internet banking.

Electronic statements are environmentally friendly and mean faster delivery – no more waiting for your statement to arrive in the post.

Electronic statements will be viewable on internet banking, secured by your online login, providing you with enhanced security by protecting your information from being stolen or delivered to the wrong address. You'll need to be registered for internet banking to view your statements online.

Next Steps

If we hold a valid email address for you, we'll be in touch closer to launch with more information including whether you'll need to register for internet banking to view your statements. At this time, you'll also be able to let us know if you'd rather continue to receive paper statements.

If we don't hold an email address for you, you'll see a message on your Account Statement this month. We'll need your email address to notify you when your statements are available.

To provide us with your email address you can:

- Email us at info@policecu.org.nz
- Call us on **0800 429 000**
- Send us a secure message through online banking.

2020 SCHOLARSHIPS

Each year we award scholarships to members to assist with increasing their financial well-being.

2021 applications will open in October 2020.



Melissa Dunn

"In December last year, I endeavoured on the experience of a lifetime to NASA's Johnson Space Centre. I spent two amazing weeks with Actura's CASE Space School programme participating in activities such as building rockets, coding robots, creating a sustainable space suit glove, and designing a habitat to live in.

To top it off, I was honoured to be one of the few people awarded the Outstanding Leadership Award.

My experience at CASE Space School was one I will remember for my whole life. I am forever grateful for the Police Credit Union Scholarship helping me to make that opportunity a reality."



Amanda Gillespie

"In 2019 I entered full-time study to complete my final year of a Masters of Counselling, which involved a counselling internship at Burnside High School. This was challenging and rewarding and I developed a passion for working with young people. My thesis involved recruiting students experiencing bullying to be part of my practice-based research to look at their therapeutic experience. I secured a job as the school counsellor at Christchurch Rudolf Steiner School and recently handed in my completed thesis. The scholarship allowed me to pay for the supervision sessions that counsellors must undertake which are a significant expense. It was greatly appreciated"

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POLICE HELPING POLICE

ONLINE DIRECTOR ELECTION

The Police Credit Union's board has 8 Directors. This year one Director position will be contestable.

Directors are elected for a three-year term and retiring directors may be re-elected.

This year the retiring director is Amelia Steel, and she has indicated that she intends to stand for re-election.

In accordance with Rule 9, the Police Credit Union calls for nominations for one Director position. Nominations are due by 4pm on Tuesday 30 June 2020.

Nomination forms, the Position Description and the Candidate Guide are available from:

- The Police Credit Union website www.policecu.org.nz
- The Returning Officer Amy Linwood on **0800 429 000** or amy.linwood@policecu.org.nz

Online Voting

This year election voting will be online.

Online electronic voting makes it fast and easy for you to vote and ensures that our election process is fair, safe and secure. If you want to vote we'll need your email address.

To provide us with your email address you can:

Email us at info@policecu.org.nz

Call us on **0800 429 000**

Send us a secure message through online banking.

INTEREST RATES ON SAVINGS ACCOUNTS

As at 9 June 2020

Term Deposits

3 months	4 months	5 months	6 months	7 months	8 months	9 months	12 months	18 months	24 months
1.30% p.a.	1.45% p.a.	1.60% p.a.	1.95% p.a.	1.95% p.a.	1.95% p.a.	1.95% p.a.	1.90% p.a.	1.90% p.a.	1.90% p.a.

Interest can be paid out monthly, quarterly or six monthly.

Interest on Term Deposits 12 months or longer can be compounded quarterly, six monthly or annually

On maturity, Term Deposits can be reinvested, paid into your Credit Union account or paid out to an external bank account

Savings

Balance	Bonus Saver	Future Saver	Achiever Saver	Christmas Club
\$1+	0.80% p.a.* Includes bonus interest of 0.30% p.a.	0.80% p.a. Includes bonus interest of 0.30% p.a.	0.35% p.a.	0.35% p.a.

Interest is calculated daily and paid monthly.

* By depositing at least \$20 per calendar month, with no withdrawals in the calendar month, you will earn bonus interest on your total daily balance.

All interest rates are subject to change without notice.



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Copies of our current Terms and Conditions and Product Disclosure Statement are available from the Police and Families Credit Union. These can be viewed at policecu.org.nz, or by calling 0800 429 000.

Police Credit Union is not a registered bank