

GALVESTON GOVERNMENT EMPLOYEES
CREDIT UNION - Chartered 1933
"Oldest Credit Union in Galveston County, Texas"

83rd Annual Meeting
Election of Directors/Announcement of Dividends



DATE/TIME: Thursday, FEBRUARY 25, 2016 @ 6:00 pm

Registration begins @ 5:30 pm

PLACE: Credit Union 14041 Delany Rd, LaMarque, TX 77568

MUST BE PRESENT FOR CASH DRAWING

MINUTES OF THE ANNUAL MEETING OF THE
GALVESTON GOVERNMENT EMPLOYEES CREDIT UNION
February 26, 2015

1. The 82nd Annual Meeting of the Membership of the Galveston Government Employees Credit Union, was originally scheduled to be held on February 26, 2015 in the office of the Credit Union located at 14041 Delaney Road, LaMarque, Texas 77568, at 7:00 pm. However, due to lack of a quorum and in accordance with GGECU Standard By-Laws for State Chartered Credit Unions, Section 3.03(e)(f) Meeting of Members the 82nd Annual Meeting of the Membership of the Galveston Government Employees Credit Union was held on March 5, 2015 in the office of the Credit Union located at 14041 Delaney Road, LaMarque, Texas 77568, at 5:30 pm. The 82nd Annual Meeting of the Membership of the Galveston Government Employees Credit Union was called to order by the **Chairman, Randle Burrows**, at 5:30 pm.
2. **Chairman Burrows** stated that everyone should have received a copy of the 82nd Annual Report, which contained the Minutes of last year's annual meeting, along with a copy of the 2015 Fee Schedule. **Chairman Burrows** also stated that if anyone did not receive a copy of the 82nd Annual Report or the 2015 Fee Schedule to please raise their hand and that one of the Staff would provide them with a copy. **Chairman Burrows** asked if there were any questions about the 82nd Annual Report, hearing none, Chairman Burrows stated the **82nd Annual Report was approved unanimously.**
3. Upon **motion made by Betty Cameron and seconded by Martin Quinonez with all ayes**, the reading of the minutes was dispensed with and the slate of Officers elected by acclamation, to-wit: **Position #3-Martha Rios-Branson and Position #4-Jimmy Gillane.**
4. **Chairman Burrows** asked if anyone had any old business or new business, of which there were neither.
5. **Chairman Burrows** then called upon **Rachel Jones, President** to conduct the drawing for the door prizes.
6. **Chairman Burrows** announced Meeting was adjourned at 7:27 p.m.

REPORT of the DIRECTORS by the CHAIRMAN

Good evening and welcome to the 83rd Annual Meeting of the Galveston Government Employees Credit Union. As with each and every year, I would like to have everyone take a minute and look around the room and then give yourselves a round of applause, because without members like you, who have stayed with the Credit Union through the good and bad times, we wouldn't be celebrating 83 years of providing affordable financial services to our members.

I want to thank the Board of Directors, the Supervisory Committee, the Nominating Committee, and various other Committees that are organized to carry out the business of the credit union for their support and donated hours of work. A special word of thanks to our President and Staff for making sure the day to day operations are taken care of in timely and orderly fashion. Also, for their outside normal business hours of volunteer work.

Recently, economic growth has slowed somewhat, and forecast for 2016 have become less optimistic. Uncertainty about the outlook reflects slower growth internationally, the strong dollar, and some uncertainty about the future interest rates. We also understand that many of our members are facing difficult times and we want to assure you that your credit union will be here to help you with your financial needs each step of the way.

I am happy to report the credit union returned \$2,241.00 in dividends to the membership in 2015 in spite of falling investment rates available to the credit union where excess funds are invested by the credit union. With investment rates remaining the lowest they have been in recent history, the credit union is formulating and aggressive approach to lend more money to our members and decrease our reliance on investment income from purchases of certificate of investments from other institutions.

Once again I want to thank you for your continued support and aggressive participation each of our members has taken to make Galveston Government Employees Credit Union a great place to save and borrow. Once again congratulations and thank you for attending the 83rd Annual Meeting of the oldest credit union in Galveston County, Texas, where we take pride in our motto: big enough to serve your financial needs, yet small enough to know your name.

Randy Burrows
Chairman

REPORT of the PRESIDENT

We have experienced another challenging year. We have achieved or exceeded goals set by the Board of Directors. The Board of Directors declared dividends due and payable each quarter and remained very competitive with other financial institutions on IRA and Certificate of Deposit dividend rates. The interest rates charged on our various types of loans are also very competitive with other financial institutions.

We asked each of our members to continue using the Credit Union as a place to save and borrow. This will assure the continued success of the Credit Union and provide a sound financial institution for future generations.

Rachel J. Jones
President

REPORT OF
Treasurer

In 2015, the assets of the credit union reflected an increase from \$5,902,448.25 to \$6,432,443.93. Balances in other major accounts are as follows: Personal loans \$5,234,011.72, Shares and deposit accounts \$5,576,171.43. The investment accounts reflected a decrease from \$1,296,000.00 to \$624,053.41; funds being used in loans. Cash & Cash Equivalents on hand reflected an increase from \$384,964.00 to \$519,993.93. The Four Key Performance Ratios reflected: Net Worth at 7.07% a decrease from 7.47%; (reflecting increase of credit union assets and decrease of net income), Return on Average Assets at 0.12% a decrease from 0.23%, Delinquency at 0.17% a decrease from 0.35% and Charge-offs at 0.31% an increase from (0.19)%.

Martha Rios-Branson
Secretary/Treasurer

REPORT OF
The Credit Manager

During 2015, we approved 350 loans to our members totaling \$2,856,741.00 an increase of 61 loans and dollar amount of \$1,341,965.00 compared to 2014. Our auto loans continue to be very competitive with other financial institutions. Our variety of unsecured (signature) loans continued to grow as well. We ask that you continue to use your credit union for all your financial needs. As always we look forward to servicing you this coming year.

Rachel Jones,
Credit Manager

**REPORT on the SUPERVISORY &
AUDIT COMMITTEE**

The Audit Committee has continuously made comprehensive audits in accordance with generally accepted auditing standards and guideline specified by the Credit Union Department. The financial statements and statistical reports prepared each month correctly reflect the financial position of the credit union. A comprehensive Annual Audit was performed by the Texas Credit Union League and found no discrepancies.

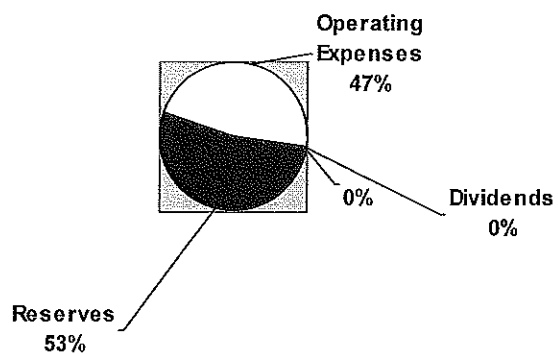
Seth Rowlands
Chairman

Comparative Income & Expense

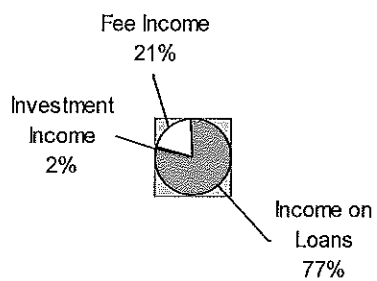
December 31, 2014 vs. December 31, 2015

<u>Income</u>	<u>2014</u>	<u>2015</u>
Income On Loans	323,267	322,710
Income from Investments	4,586	7,234
Fee Income	69,914	62,613
Other Income	19,788	25,415
Total Income	417,555	417,972
<u>Expenses</u>		
Employee Compensation & Benefits	160,811	159,734
Travel & Conference Expense	0.00	0.00
Office Occupancy Expense	41,397	42,624
Office Operations Expense	103,602	91,210
Education & Promotion	17,634	15,757
Loan Servicing Expense	16,650	18,095
Professional & Outside Services	19,310	17,921
Provision for Loan Loss	-26,139	-3,947
Non-Operating Expense	0.00	0.00
Exam Fees	2,511	2,970
Miscellaneous Operating Expenses	63,570	63,268
Total Operating Expenses	(399,346)	(407,632)
<u>Cost of Funds</u>		
Interest on Borrowed Money	0.00	571
Dividends on Shares & Deposits	4,480	2,241
NCUSIF & SWCFCU	0.00	0.00
Net Income (Loss)	13,729	7,528

How the Funds Were Spent



Where the Money Came From



2015 Volunteers of GGECU

Board of Directors (BOD) by Position Number and the date each Director assumed their duties; Name of BOD and Title held, Election of Term and the current expiration of term, to-wit:

<u>Position# & Assumed Date</u>	<u>BOD Name & Title</u>	<u>Election</u>	<u>Expiration of Term</u>
#1 02-17-2011 E	Gregory Hayes - Asst Secretary/Treasurer	February 2014	February 2017
#2 02-17-2011 E	Randle Burrows- Chairman	February 2014	February 2017
#3 08-28-2012 A 02-21-2013 E	Martha Rios-Branson -Secretary/Treasurer	February 2015	February 2018
#4 02-19-2010 E	Jimmie Gillane -Vice Chairman	February 2015	February 2018
#5 04-30-2013 A 02-27-2014 E	Kevin Rock - Director	February 2013	February 2016
#6 02-27-2014 E	David Berg - Director	February 2013	February 2016
#7 04-30-2013 A 02-27-2014 E	Barbara Sanderson - Director	February 2013	February 2016

Supervisory & Audit Committee Members appointed by the Board of Directors and Title held, to-wit:

Seth Rowlands	-	Chairman
Martha Rios-Branson	-	Committee Member
Kevin Rock	-	Committee Member
David Berg	-	Committee Member

Credit Committee Members appointed by the Board of Directors and Title held, to-wit:

Rachel Jones	-	Credit Manager
Tina Avendano	-	Committee Member
Gregory Hayes	-	Committee Member
Jimmy Gillane	-	Committee Member
Barbara Sanderson	-	Committee Member

2015 Election Nominating Committee Members appointed by the Board of Directors and Title held, to-wit:

Seth Rowlands	-	Chairman
Willie Goynes Jr	-	Member of 37 years
Peggy O'Neal	-	Member of 3 years

Office Staff

Rachel Lewis Jones	-	President/CEO
Tina Avendano	-	Vice President/Loan & Collection Officer
Jacqueline Burns	-	Membership Officer/Member Service Representative

Office Information

LaMarque Location	:	14041 Delaney Road, LaMarque, TX 77568 / (409) 908-9834 / Fax# (409) 908-9448	
Lobby	:	Monday-Wednesday-Friday	9:00 am to 5:00 pm
		Tuesday & Thursday	9:00 am to 2:00 pm
Drive -thru	:	Monday - Friday	9:00 am to 5:00 pm

GALVESTON GOVERNMENT EMPLOYEES CREDIT UNION

14041 Delaney Rd, LaMarque, TX 77568

P.O. Box 1149 Dickinson, TX 77539

409/908-9834 - Fax 409/908-9448

ggecu.com

1st Quarter 2016

(BODM: 02/25/16)

Share/Savings Account

\$250.00	to	\$2,499.99	0.00%	/	.03
\$2,500.00	to	\$4,999.99	0.00%	/	.03
\$5,000.00	to	\$9,999.99	0.00%	/	.03
\$10,000.00	to	\$19,999.99	0.00%	/	.03
\$20,000.00	and up		0.00%	/	.03

Share Draft/Checking Account

Minimum balance of \$250.00			0.00%	/	.00
-----------------------------	--	--	-------	---	-----

IRA Share/Savings Account

\$250.00	and up		0.03%	/	.05
----------	--------	--	-------	---	-----

Share Certificate Accounts

Regular

Minimum deposit of \$500.00					
3 month term			0.03%	/	.10
Minimum deposit of \$1,000.00					
6 month term			0.03%	/	.15
12 month term			0.05%	/	.25

*APY = Annual Percentage Yield. Rates are subject to change without notice. Dividends are calculated on a day-in-day-out basis. Fees can reduce earnings. Share/Savings and IRA account dividends are compounded every quarter and paid quarterly. Share Draft/ Checking account dividends are compounded every month and paid monthly. You must maintain a minimum daily balance of \$250.00 in your Share/ Savings account to obtain the APY. *Dividend Rate and APY shown for Share/Savings account is the most recent paid (prior quarter) and may not be effective this quarter or in the future. For current information please call GGECU at 409-908-9834.*



**GALVESTON GOVERNMENT EMPLOYEES
CREDIT UNION**

14041 Delaney Rd, LaMarque, TX 77568 / P.O. Box 1149, Dickinson, TX 77539
409-908-9834 / Fax# 409-908-9448 / ARU# 832-615-3505
www.ggecu.com

The following fees may be assessed against your account:

YEAR 2016 FEE SCHEDULE

PC Branching (Internet Access and Bill Pay)

Inquiries.....	N/C
Transactions.....	N/C
*Bill Pay Transaction Fee.....	N/C

*(Bill Pay Transaction Fee subject to change with notice)

ARU (Credit Union Audio Response System)

Inquiries.....	N/C
Transactions.....	N/C

Regular Shares (Savings)

Service Charge.....	N/C
Minimum Required Balance to maintain Account.....	\$5.00 (One Share)
Minimum Daily Balance to receive Dividends.....	\$250.00
Early Account closure.....	\$5.00
(If account has been open less than 1 year)	
Dormant Account Processing Fee (after 3 years).....	\$10.00
Below Required \$5.00 Balance Fee (Quarterly).....	\$5.00

Share Draft (Checking)

Service Charge.....	N/C
Minimum Required Balance to Open Account.....	\$100.00
Minimum Daily Balance to receive Dividends.....	\$250.00
Stop Payment Fee (all types).....	\$30.00
Insufficient Funds Fee.....	\$30.00

(All types to-wit: item/deposit/ACH/ATM withdrawals)

Share Draft (Checking)

Two party checks returned for insufficient funds.....	\$30.00
Photocopy of Original Check.....	\$5.00
Account Reconciliation/Research	\$25.00 per hour
Negative account fee (Monthly).....	\$5.00

****Cost of Credit Union Checks.**

1 Box	@ \$17.95 for 150
2 Boxes	@ \$35.90 for 300
4 Boxes	@ \$71.80 for 600

Other Check Orders (charge based on Vendors Price)

** (Cost of Credit Union Checks subject to change with notice upon order)

OVERDRAFT PROTECTION OPTION will allow us to transfer funds from your Share account and/or designated accounts, over and above your initial \$5.00 membership deposit, to prevent any debits from being returned for insufficient funds. We can do this THREE (3) times each month at no charge. After THREE (3) times, or if the funds are not available, there is a \$30.00 charge thereafter for each item within said month.

ATM/Debit Card Fees

Service Charge.....	N/C
Replacement of ATM/Debit Card	\$5.00
Cash withdrawal at participating Credit Union Network ATM.....	N/C
Point of Sale Transactions.....	N/C
Cash withdrawal at non-participating Credit Union Network ATM.....	Varies per ATM machine
ATM Switch Fee.....	\$1.00 per transaction

Other Fees

D/B/A accounts initial fee.....	\$5.00
Account Activity Printout.....	\$5.00 per page
Credit Union Cashier/Certified Check.....	\$3.00 per check
Stop Payment Cashier Check	\$30.00
Return Mail Fee (not including costs incurred)..	\$5.00 per item
Collection Items Outgoing.....	\$30.00
Collection Items Incoming.....	\$30.00

Other Fees

IRA Annual Fee.....	N/C
Direct Deposit.....	N/C

Payroll Deduction.....	N/C
Wire-Transfer Fee.....	\$30.00
ACH Origination Fee.....	\$5.00
Loose Coins.....	N/C
Account ACH Deposit/Withdrawal Research Fee..	\$25.00
(Due to Incorrect Routing/ABA and/or Member Account Number; the correct Routing/ABA Number for Direct Deposit is 313182217.)	
Check Cashing Fee.....	\$5.00
Coin Usage (Members only).....	3%

Fax Fee:

5 or more pages.....	\$5.00
less than 5 pages.....	\$1.00 per page

Garnishment/Levy.....	\$75.00
IRA Transfer fee (to another institution).....	\$10.00

Withdrawal Fees:

- Share Account - \$10.00 for each withdrawal in excess of six (6) per month
- CUMMA - \$10.00 for each withdrawal in excess of three (3) per month
- Holiday Club Account- \$5.00 for each withdrawal

*****Cost of Credit Reports.**

Credit Report fee (individual).....	\$20.00/\$25.00
Credit Re-evaluation fee.....	\$25.00

(Within 180 days of previous request)

*** (Cost of Credit Reports subject to change with notice provided to Member upon submitting Loan request)

Inactive Account Fee..... \$10.00
(inactive is defined as no Member initiated transactions for six (6) months)

Non-Member Service thru the use and benefit of Member's Account:

Check Transaction Service Charge.....\$25.00

Delinquent Loan Fees: A Delinquent Loan Fee will be charged on loan payments that are more than ten (10) days late. After the 10-day grace period a **\$25.00 charge** will be assessed.

Fees are based on either the Credit Union's direct cost for each service and/or the man-hours necessary to offer each service or perform each service for our membership. All fees are subject to change without notice. See Credit Union for complete fee information.

(Remainder of page intentionally left blank)