

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

84th Annual Meeting  
Election of Directors/Announcement of Dividends



DATE/TIME: Thursday, FEBRUARY 23, 2017 @ 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 25, 2016

1. The 83rd Annual Meeting of the Membership of the Galveston Government Employees Credit Union, was held on February 25, 2016 in the office of the Credit Union located at 14041 Delaney Road, LaMarque, Texas 77568, at 6:00 pm. The 83rd Annual Meeting of the Membership of the Galveston Government Employees Credit Union was called to order by the **Chairman, Randle Burrows**, at 6:00 pm.
2. **Chairman Burrows** stated that everyone should have received a copy of the 83rd Annual Report, which contained the Minutes of last year's annual meeting, along with a copy of the 2016 Fee Schedule. **Chairman Burrows** also stated that if anyone did not receive a copy of the 83rd Annual Report or the 2016 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 83rd Annual Report, hearing none, Chairman Burrows stated the **83rd Annual Report was approved unanimously.**
3. Upon motion made by **Steven Burns** and seconded by **Willie Goynes** with all ayes, the reading of the minutes was dispensed with and the slate of Officers elected by acclamation, to-wit: **Position #5-Kevin Rock, Position #6-David Berg and Position #7-Barbara Sanderson.**
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 6:32 p.m.

## **REPORT of the DIRECTORS by the CHAIRMAN**

Good evening and welcome to the 84th 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 84 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.

I am happy to report the credit union returned \$3,103.00 in dividends to the membership in 2016 an increase from \$2,241.00 in 2015. Loan growth in 2016 slowed somewhat, and forecast for 2017 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

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 84th 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. 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 2016, the **assets of the credit union** reflected a decrease from \$6,432,443.93 to **\$5,897,609.27**. Balances in other major accounts are as follows: Personal loans **\$4,784,476.19**, Shares and deposit accounts **\$5,434,306.02**. The investment accounts reflected a slight decrease from \$624,053.41 to **\$551,053.00**. Cash & Cash Equivalents on hand reflected a slight decrease from \$519,993.93 to **\$450,550.00**. The Four Key Performance Ratios reflected: Net Worth at 7.62% an increase from 7.07%; Return on Average Assets at 0.02%, Delinquency at 1.43% a major increase from 0.17% and Charge-offs to Recoveries at 0.00% a decrease from 0.31%.

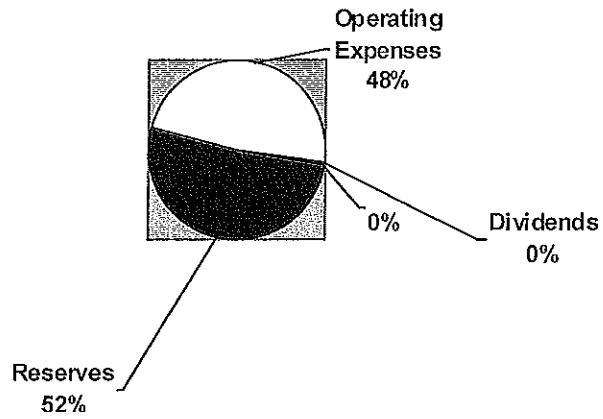
**Martha Rios-Branson**  
**Secretary/Treasurer**

REPORT OF  
**The Credit Manager**

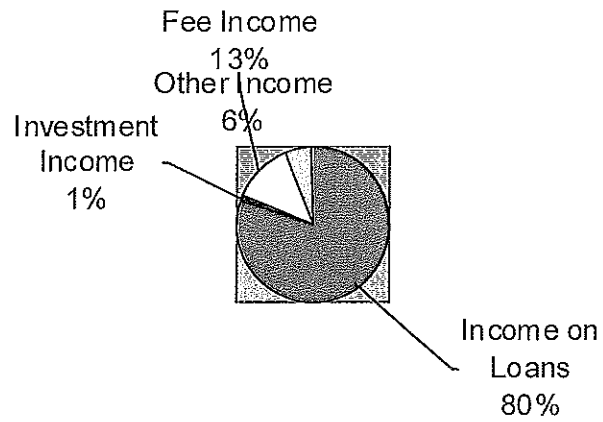
During 2016, we approved **226** loans to our members totaling **\$1,436,152.00** a decrease of 124 loans and dollar amount of \$1,420,589.00 compared to 2015. Our auto loans continue to be very competitive with other financial institutions. Our variety of unsecured (signature) loans and all other types of loans continued to be very competitive 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**

## How the Funds Were Spent



## Where the Money Came From



**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, 2016 vs. December 31, 2015

<u>Income</u>	<u>2016</u>	<u>2015</u>
Income On Loans	340,468	322,710
Income from Investments	4,676	7,234
Fee Income	56,758	62,613
Other Income	24,727	25,415
<b>Total Income</b>	<b>426,669</b>	<b>417,972</b>
 <u>Expenses</u>		
Employee Compensation & Benefits	162,897	159,734
Travel & Conference Expense	0.00	0.00
Office Occupancy Expense	42,173	42,624
Office Operations Expense	98,663	91,210
Education & Promotion	9,754	15,757
Loan Servicing Expense	19,407	18,095
Professional & Outside Services	25,869	17,921
Provision for Loan Loss	233	-3,947
Non-Operating Expense	0.00	0.00
Exam Fees	2,725	2,970
Miscellaneous Operating Expenses	60,326	63,268
<b>Total Operating Expenses</b>	<b>(422,047)</b>	<b>(407,632)</b>
 <u>Cost of Funds</u>		
Interest on Borrowed Money	454	571
Dividends on Shares & Deposits	3,103	2,241
NCUSIF & SWCFCU	0.00	0.00
<b>Net Income (Loss)</b>	<b>1,065</b>	<b>7,528</b>

## 2016 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# &amp; Assumed Date</u>	<u>BOD Name &amp; 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 02-25-2016 E	Kevin Rock - Director	February 2016	February 2019
#6 02-27-2014 E 02-25-2016 E	David Berg - Director	February 2016	February 2019
#7 04-30-2013 A 02-27-2014 E 02-25-2016 E	Barbara Sanderson - Director	February 2016	February 2019

**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
Anthony Rogers	-	Committee Member (12/27/16 Appointed)

**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

**Asset/Liability Investment Committee Members** appointed by the Board of Directors and Title held, to-wit:

Rachel Jones	-	Committee Member
Gregory Hayes	-	Committee Member
Jimmy Gillane	-	Committee Member
Randle Burrows	-	Committee Member

**2017 Election Nominating Committee Members** appointed by the Board of Directors and Title held, to-wit:

Seth Rowlands	-	Chairman
Michael Benavides	-	Member of 10 years
Scott Stegman	-	Member of 8 years
Damian Lindsey	-	Member of 1 year

### Office Staff

Rachel Lewis Jones	-	President/CEO	- email: <a href="mailto:president@ggecu.com">president@ggecu.com</a>
Tina Avendano	-	Vice President/Loan & Collection Officer	- email: <a href="mailto:vp@ggecu.com">vp@ggecu.com</a>
Jacqueline Burns	-	Membership Officer/Member Service Representative	- email: <a href="mailto:msr@ggecu.com">msr@ggecu.com</a>

**Office Information**

<b>LaMarque Location</b>	:	14041 Delaney Road, LaMarque, TX 77568
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
Lobby and Drive-thru	:	4th Thursday                            9:00 am to 2:00 pm

(409) 908-9834 / Fax# (409) 908-9448  
Audio Response System Number (ARU) 832-615-3505 / Website: [www.ggecu.com](http://www.ggecu.com)