

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

87th Annual Meeting
Election of Directors/Announcement of Dividends



DATE/TIME: Thursday, FEBRUARY 27, 2020 @ 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 28, 2019

1. The 86th Annual Meeting of the Membership of the Galveston Government Employees Credit Union, was held on February 28, 2018 in the office of the Credit Union located at 14041 Delaney Road, LaMarque, Texas 77568, at 6:00 pm. The 86th Annual Meeting of the Membership of the Galveston Government Employees Credit Union was called to order by the **Chairman, Seth Rowlands**, at 6:00 pm - ascertained a quorum was present, at least 25 members.
2. **Chairman Rowlands** introduced the Board of Directors: Martha Rios-Branson, Kevin Rock, Barbara Sanderson, Randy Burrows, Anthony Rogers and David Berg.; Supervisory & Audit Committee Members: David Galindo (Chairman); Staff: Rachel Jones (President), Tina Selcer (VP/Loan Officer) and Jackie Burns (MSR/Teller). **Chairman Rowlands** stated that everyone should have received a copy of the 86th Annual Report, which contained the Minutes of last year's annual meeting, along with a copy of the 2019 Fee Schedule. **Chairman Rowlands** also stated that if anyone did not receive a copy of the 86th Annual Report or the 2019 Fee Schedule to please raise their hand and one of the Staff would provide them with a copy. **Chairman Rowlands** asked if there were any questions about the 86th Annual Report, hearing none, Chairman Rowlands stated the **86th Annual Report was approved unanimously**.
3. Upon motion made by **Betty Classen** 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 - 3 year term, Position #6-David Berg - 3 year term, Position #7-Barbara Sanderson - 3 year term, Position #1-Randle Burrows - 1 year term, Position #2-Seth Rowlands - 1 year term, Position #4-Anthony Rogers - 2 year term and Position #8-David Delac - 3 year term.**
4. **Chairman Rowlands** asked if anyone had any old business of which there was none. **Chairman Rowlands** asked if anyone had any new business wherein Rachel Jones, President stated that GGECU now had Prepaid Visa Gift Cards and if you sign up for E-statement you will be entered into GGECU quarterly drawing to win \$25.00 gift card.
5. **Chairman Rowlands** then called upon **Rachel Jones, President** to conduct the drawing for the door prizes, to-wit: one chance for \$100.00; two chances for \$50.00; two chances for \$20.00 and one chance for \$10.00 = \$250.00. WINNERS: \$100.00 Ruth Strickland, \$50.00 Edwin Lestrack, \$50.00 Willie Goynes, \$20.00 David DeLac, \$20.00 Barbara Sanderson, \$10.00 Shelby Cobbs.
6. **Chairman Rowlands** announced Meeting was adjourned at 6:07 p.m.

REPORT OF the DIRECTORS by the CHAIRMAN

I would like to welcome everyone to the **87th Annual Meeting** of the Galveston Government Employees Credit Union.

GGECU was chartered in 1933 and for 87 years together we have been building the platform in securing your financial future.

Over the years many things have changed - location of the credit union, expansion of field of membership, merger of former credit unions, products, policies and procedures, but one thing has remained the same and that is the mission of Galveston Government Employees Credit Union to:

- Provide quality financial service to the Membership
- Provide personal, courteous and professional service to the Membership
- Inform the Members and Potential members of credit union services and benefits

The Board of Galveston Government Employees Credit Union prides itself in looking out for the Little Guy by tailoring our financial services for folks from all walks of life. Credit unions are not-for-profit, so instead of charging sky-high fees and interest rates, they pass the savings to the little guy. While Banks amass high profits for big money shareholders, credit unions are owned by their members, so the wealth stays in the community. Credit Unions are highly valued by over 89 million consumer members because Credit Unions stand up for the little guy.

The Board of Galveston Government Employees Credit Union is looking forward to serving you during another great and powerful year of stability. 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 87th 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.

Seth Rowlands
Chairman of the Board

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REPORT OF the President

As I embark on my 24 years of employment and membership with our Credit Union there has not been a day, week, month or year gone by where I am not amazed by a piece of GGECU's history shared by a Member. Each story shared with me makes me proud to be a part of our credit union's 87-year legacy and tomorrow's success. Why? Because you built the foundation, and this is the place where YOU belong.

With the Board of Director's insight of our members needs, vision for tomorrow's financial products and regulatory guidance, my Staff and I are committed in looking out for the little guy and together we can build the platform in securing your financial future.

I want to thank the employees, committee members and board for their continued dedication and leadership that continues to make our credit union a success. To our Membership and future generation of credit union members...here's to another 87 years looking out for the little guy!

Rachel Jones,
President/CEO

REPORT OF the Treasurer

In 2019, the **assets of the credit union** reflected an **increase** from **\$6,542,753.00** to **\$7,408,613.42**. Balances in other major accounts are as follows: **Personal loans \$6,113,181.43**, **Real Estate Loans \$79,644.78** and **MasterCard Loans \$133,561.06**. **Shares and deposit accounts \$6,860,365.44**. The **Investment accounts** reflected an **increase** from **\$151,514.12** to **\$253,053.00**. **Cash & Cash Equivalents** on hand reflected an **increase** from **\$344,017.00** to **\$673,485.00**. **Net Worth** at **7.2565%** a slight decrease from **7.2653%**. **Payout of dividends of \$47,939.16**.

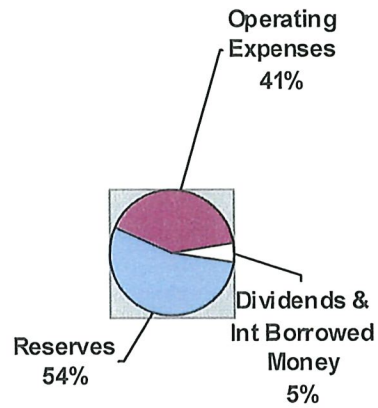
David Berg
Secretary/Treasurer

REPORT OF the Credit Manager

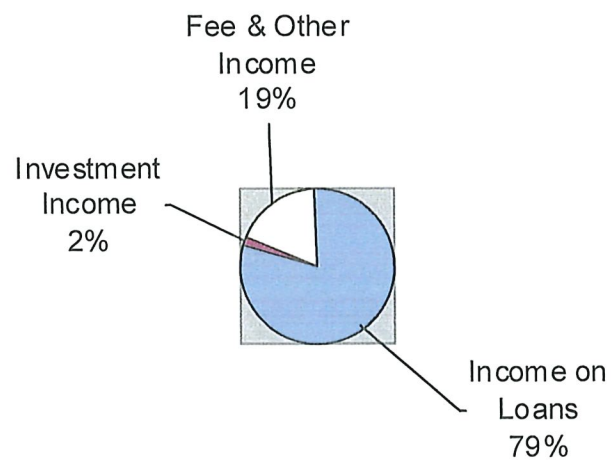
During 2019, we approved 211 loans to our members totaling \$2,749,545.00, a decrease of 5 number of loans booked and an increase in the dollar amount of \$508,466.00 compared to 2018. Our auto loans continue to be very competitive with other financial institutions. Our variety of unsecured (signature) 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

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.

David Galindo
Chairman

Comparative Income & Expense

December 31, 2018 vs. December 31, 2019

<u>Income</u>	<u>2018</u>	<u>2019</u>
Income On Loans	325,846	418,819
Income from Investments	7,609	7,911
Fee Income	69,690	73,153
Other Income	31,787	26,452
Total Income	434,932	526,335
<u>Expenses</u>		
Employee Compensation & Benefits	135,066	153,290
Travel & Conference Expense	500	3,469
Office Occupancy Expense	42,963	44,085
Office Operations Expense	131,874	136,575
Education & Promotion	4,193	9,693
Loan Servicing Expense	17,405	15,145
Professional & Outside Services	42,099	47,296
Provision for Loan Loss	4,638	1,571
Non-Operating Expense	0.00	0.00
Exam Fees	2,949	3,060
Miscellaneous Operating Expenses	1,900	1,546
Total Operating Expenses	(383,587)	(415,730)
<u>Cost of Funds</u>		
Interest on Borrowed Money	3,746	396
Dividends on Shares & Deposits	12,633	47,939
NCUSIF & SWCFCU	0.00	0.00
Net Income (Loss)	34,966	62,270

2019 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 02-28-2019 E	Randle Burrows- Director	February 2017	February 2020
#2 02-28-2019 E	Seth Rowlands- Chairman	February 2017	February 2020
#3 02-28-2019 E	David DeLac- Asst. Secretary/Treasurer	February 2018	February 2021
#3 09-26-2019 A	David Galindo-Asst. Secretary/Treasurer (APPOINTED - serving out remaining term of Position #3)		
#4 02-28-2019 E	Anthony Rogers -Director VACANT	February 2015	February 2021
#5 02-28-2019 E	Kevin Rock - Director	February 2019	February 2022
#6 02-28-2019 E	David Berg - Secretary/Treasurer	February 2019	February 2022
#7 02-28-2019 E	Barbara Sanderson - Vice Chairman	February 2019	February 2022

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

David Galindo	-	Chairman
Chase Bessire	-	Committee Member
Jason Williamson	-	Committee Member

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

Rachel Jones	-	Credit Manager
Tina Avendano	-	Committee Member
Randy Burrows	-	Committee Member
Seth Rowlands	-	Committee Member
Barbara Sanderson	-	Committee Member

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

Rachel Jones	-	Committee Member
Seth Rowlands	-	Committee Member
Barbara Sanderson	-	Committee Member
Randle Burrows	-	Committee Member

2020 Election Nominating Committee Members appointed by the Board of Directors and Title held, to-wit:

David Galindo	-	Chairman
Chase Bessire	-	Committee Member
Jason Williamson	-	Committee Member

**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 / MYMOBILEMONEY.app

The following fees may be assessed against your account:

YEAR 2019 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)

Minimum Required Balance to Open Account.....	\$5.00
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)	
Below Required \$100.00 Balance Fee (Monthly).....	\$3.00

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

CUMONEY PRE-PAID VISA GIFT Card Fees

Service Charge.....	N/C
PURCHASE of PRE-PAID Card.....	\$5.00
Inactivity Fee to 3rd Party Vendor.....	\$5.00
(if you do NOT use the card for 12 consecutive months, a \$5.00 monthly inactivity fee will be applied starting in the 13 month of inactivity)	
Lost/Stolen Card Replacement Fee to 3rd Party Vendor.....	\$10.00
(if your Card is lost or stolen, you may get a replacement card for \$10.00)	

Other Fees

Account Activity Printout.....	\$5.00 per page
Credit Union Check.....	\$3.00 per check
Stop Payment on Credit Union Check	\$30.00
Return Mail Fee (not including costs incurred)..	\$5.00 per item
Collection Items Outgoing.....	\$30.00
Collection Items Incoming.....	\$30.00
Direct Deposit.....	N/C
Payroll Deduction.....	N/C
Wire-Transfer Fee.....	\$30.00
ACH Origination Fee.....	\$5.00
ACH Origination Re-occurring Fee.....	\$3.00
Loose Coins under \$10.00.....	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.)	
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
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Withdrawal Fees:

Share Account - \$10.00 for each withdrawal in excess of six (6) per month

*****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.

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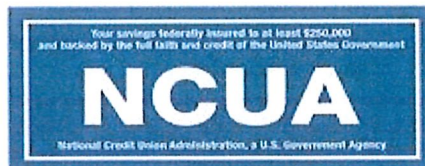
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Share/Savings Account			Rate		APY*
\$250.00	to	\$2,499.99	0.10%	/	0.10%
\$2,500.00	to	\$4,999.99	0.10%	/	0.10%
\$5,000.00	to	\$9,999.99	0.10%	/	0.10%
\$10,000.00	to	\$19,999.99	0.10%	/	0.10%
\$20,000.00	and up		0.10%	/	0.10%

Share Draft/Checking Account					
Minimum balance of \$250.00			0.05%	/	0.05%

CUMMA (Credit Union Money Management Account)					
\$2,000.00	to	\$9,999.99	0.30%	/	0.30%
\$10,000.00	to	\$24,999.99	0.50%	/	0.50%
\$25,000.00	to	\$100,000.00	0.75%	/	0.75%

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.. You must maintain a minimum daily balance of \$250.00 in your Share/Savings and Share draft/checking account to obtain the APY. You must maintain a minimum daily balance of \$2,000.00 in your CUMMA account to obtain the APY. Share/Savings account dividends are compounded every quarter and paid quarterly. Share Draft/ Checking account dividends are compounded every month and paid monthly. CUMMA (Credit Union Money Management Account) dividends are compounded every month and paid monthly. *Dividend Rate and APY shown for accounts herein above is the most recent paid (prior quarter) and may not be effective this quarter or in the future. For current information please call GGEUCU at 409-908-9834.*



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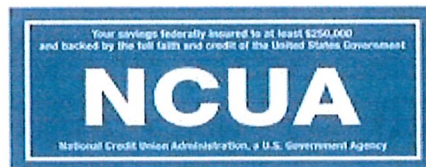
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****Share Certificate Accounts**

	<u>Rate</u>		<u>APY*</u>
Minimum deposit of \$500.00			
3 month term	0.30%	/	0.30%
Minimum deposit of \$1,000.00			
6 month term	0.50%	/	0.50%
12 month term	0.75%	/	0.75%
18 month term	0.85%	/	0.85%
60 month term	1.75%	/	1.77%

24 month term (auto renewal only)	0.10%	/	0.10%
36 month term (auto renewal only)	0.10%	/	0.10%
48 month term (auto renewal only)	0.10%	/	0.10%

**** The APY* = Annual Percentage Yield. The APY is based on the dividend compounding quarterly. All rates and APY are determined on the above reflected minimum deposits, dollar ranges or monthly terms. You must maintain a minimum average daily balance of \$500.00 (for 3 month certificate), \$1,000.00 (for 6-month, 1-year and 18-month) in your account to obtain the disclosed annual percentage yield. Dividends will be credited to your account quarterly. Dividend period for Share Certificate Accounts is quarterly. Fees and other conditions could reduce the earnings on the account. Early withdrawal penalties may be imposed. The penalty we may impose will equal 60 days dividends on the amount withdrawn subject to penalty. You will have a grace period of three business days after maturity to withdraw the funds without being charged an early withdrawal penalty. For current information please call GGEUCU at 409-908-9834.**



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SPECIAL CERTIFICATE OF DEPOSIT RATES

New MONEY (from another financial institution)

	<u>Rate</u>	<u>APY*</u>
18 Month CD	1.80%	1.81%

Promotional rate is a limited time offer. Minimum deposit of \$1,000.00 **new money**
(from another financial institution)

Minimum amount to open a Special Share Certificate is **\$1,000**

18 Month CD	2.00%	2.02%
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Promotional rate is a limited time offer. Minimum deposit of \$10,000 **new money**
(from another financial institution)

Minimum amount to open a Special Share Certificate is **\$10,000**

**** The APY* = Annual Percentage Yield. The APY is based on the dividend compounding quarterly. All rates and APY are determined on the above reflected minimum deposits, dollar ranges or monthly terms. You must maintain a minimum average daily balance of \$500.00 (for 3 month certificate), \$1,000.00 (for 6-month, 1-year and 18-month) in your account to obtain the disclosed annual percentage yield. Dividends will be credited to your account quarterly. Dividend period for Share Certificate Accounts is quarterly. Fees and other conditions could reduce the earnings on the account. Early withdrawal penalties may be imposed. The penalty we may impose will equal 60 days dividends on the amount withdrawn subject to penalty. You will have a grace period of three business days after maturity to withdraw the funds without being charged an early withdrawal penalty. For current information please call GGEUCU at 409-908-9834.**

