

## Chairman's report

*Glendale City Employees Federal Credit Union is committed to the financial well-being of our members.*

Our new mission statement above summarizes why we practice sound investing and avoid risk; we must remain strong so we can be here for members in good times and bad.

We are meeting that goal. Last year, we earned another 5-star rating, the highest possible, from BauerFinancial, one of the nation's most respected rating services.

And while unsavory lender practices led to the Credit CARD Act of 2009 to protect consumers, and many financial executives pocketed exorbitant bonuses, we have not raised our fees in more than three years. And our directors are unpaid volunteers.

To further improve our members' financial health, we introduced BALANCE, a free financial counseling service, and encourage members to reduce debt by transferring costly credit card balances here. We also reminded them that saving is more important than ever, and that it's easy with payroll deduction or direct deposit.

Plus, anyone who has experienced the volatility of the stock market appreciates our \$250,000 of federal deposit insurance from the NCUA and an additional \$250,000 of private deposit insurance from American Share Insurance.

In the coming years, we will continue to stress that Glendale City EFCU is the best place for members to do all their financial business:

- **Value**  
We have lower loan rates and competitive savings yields.
- **Access**  
Anytime, anywhere, thanks to our electronic services.
- **Service**  
We exceed member expectations with friendly, personalized attention to their financial needs.

The future looks bright. We have purchased our own building, and expect member participation to increase as the uncertain economy highlights our value and stability.

We appreciate our members' support, and look forward to another good year in 2010.

Respectfully submitted,

**Jay Kreitz**  
Chairman, Board of Directors

### Staff

**Shirley Tapp** ..... President/CEO  
**Ehab Nawar** ..... Chief Financial Officer  
**Ulda Marroquin** ..... Member Service Representative  
**Carolynn Lyons** ..... Business Development Director  
**Arpi Khandzhyan** ..... Loan Officer  
**Dolly Negrosa** ..... Loan Officer  
**Laura Parazian** ..... Office Clerk

### Services

#### Savings

- Regular share accounts
- MoneyFlex Market accounts
- Share certificate accounts
- Bump-up certificate accounts
- Traditional and Roth Individual Retirement Accounts
- Coverdell Education Savings accounts
- Holiday Club accounts
- Looney Tunes® Savings Club
- CU Succeed for teens

#### Consumer loans

- New vehicles
- Used vehicles
- "Green" auto loans for fuel-efficient vehicles
- New and used RVs, motorcycles, trailers and boats
- Line of Credit
- Bill Buster debt consolidation
- Share-secured
- Personal
- Holiday loans
- Computer (city program)

#### Real estate loans

- First trust deeds
- Second trust deeds
- Home Equity Line of Credit
- Home improvement

### Branch and phone hours

**M, Tu, Th, F** ..... 9 am–5 pm  
**W** ..... 10 am–5 pm

Looney Tunes, names, characters and all related indicia are trademarks of Warner Bros. Inc.

#### 24-hour access

- Basic and Jewel City checking accounts
- Free Home Banking
- Free Bill Pay
- Free Telephone Teller
- Debit Card
- 24-hour Loan by Phone
- ATM location by texting

#### Convenience services

- Direct deposit
- Payroll deduction
- PERS deduction
- Auto transfer of loan payments
- Wire transfers

#### Insurance services

- Mechanical Breakdown Coverage
- Life savings insurance
- Accidental death and dismemberment insurance
- Guaranteed Auto Protection program
- Credit Disability insurance

#### Other services

- Trust accounts
- Free credit report review
- Family Legal Access Plan
- Notary service
- Skip Payment
- Federal and private deposit protection
- Online consumer tips

## 2009 ANNUAL REPORT



**GLENDALE**  
 CITY EMPLOYEES FEDERAL CREDIT UNION

517 E. Wilson Ave., Glendale, CA 91206

818/ 548-3976

www.GlendaleCityCU.org



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Glendale City Employees Federal Credit Union

## Treasurer's report

Thanks to our prudent financial policies, we remained financially strong and well positioned to serve our members. Loans to members rose from \$21.2 million in 2008 to \$25.4 million by the end of 2009, a 20% increase. Member deposits grew by 10%, from \$45.6 million to \$50 million.

Many members expressed concern about the failure of many financial institutions, as well as last year's takeover of two corporate credit unions due to the global recession and subprime mortgage market. We contract with one of them, WesCorp, headquartered in San Dimas, for some services including check clearing and investments. It is important to note that these credit unions do not serve individual persons; instead, they serve other credit unions.

To prevent their failure, our federal regulatory agency, the National Credit Union Association, initiated a Corporate Stabilization Program. It took several actions, including special capital and premium assessments. These extraordinary measures directly affected the bottom line of many credit unions, including us, during the first quarter of 2009.

Despite these extraordinary assessments exceeding \$300,000, we maintained a positive bottom line of \$128,171 last year.

Once again, we compared favorably with our peers in other areas. Our fees were much lower than industry averages, as was our delinquency ratio, an incredibly low 0.29%.

Our capital ratio, a measure of our stability, was 15.78%, once again well above federal requirements. Total assets rose from \$54.9 million to \$59.5 million, an 8% increase.

Our strong financial performance earned us another five-star rating, the highest possible, from BauerFinancial, one of the nation's most respected rating services.

As the economy shows signs of recovery, we will continue to be a strong financial partner for our members.

**Chris Klein**  
Treasurer

### Board of Directors

Jay Kreitz ..... Chairman  
Mike Amussen ..... Vice-Chairman  
Chris Klein ..... Treasurer  
Marie Fish ..... Secretary  
Ron Ahlers ..... Director  
Aileen Boyle ..... Director  
William Hall ..... Director  
John Vos ..... Director  
John Wray ..... Director

## Supervisory Committee report

The Supervisory Committee represents the membership, monitoring the credit union to ensure that it operates in compliance with applicable laws and regulations, and to certify that all records and internal controls are correctly maintained.

Last year we contracted with the firm of Richards & Associates, CPA to assist us with our monthly reviews and annual federally mandated audit. Their audit report was very favorable.

On behalf of the Committee, I am pleased to state that Glendale City Employees Federal Credit Union is being operated in a safe and fiscally sound manner, and is in compliance with all laws and regulations.

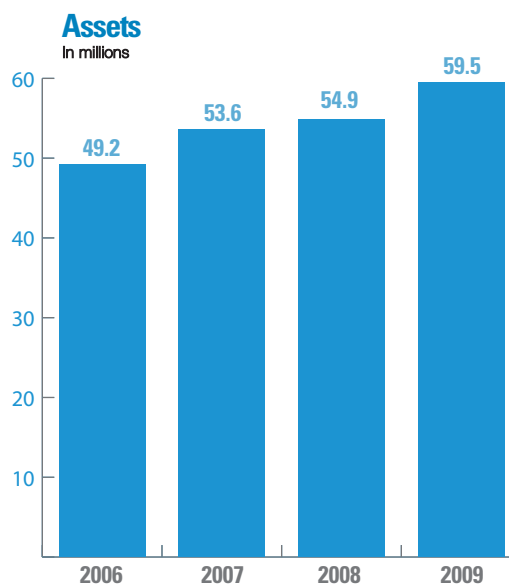
The Committee wishes to thank the Board of Directors, President/CEO Shirley Tapp and the staff of Glendale City Employees Federal Credit Union for their assistance and cooperation.

Respectfully submitted,

**David Cole**  
Chairman, Supervisory Committee

### Supervisory Committee

David Cole ..... Chairman  
Doris Twedt ..... Member  
Mike Rock ..... Member



## Statement of Financial Condition

Audited 9/30/09  
As of December 31

Assets	2009	2008
Loans to members	\$25,407,806	\$21,228,718
Allowance for loan loss	(163,145)	(254,503)
Net loans to members	\$25,244,661	\$20,974,215
Cash and investments	32,970,506	32,909,340
Other Assets	1,284,918	1,060,853
<b>Total assets</b>	<b>\$59,500,085</b>	\$54,944,408

### Liabilities and Members' Equity

Liabilities	2009	2008
Dividends payable	\$0	\$0
Accounts payable	165,487	58,725
<b>Total Liabilities</b>	<b>\$165,487</b>	\$58,725

### Members' Equity

Members' share deposits	\$50,068,417	\$45,618,661
Regular reserves	1,009,923	1,009,923
Undivided earnings	8,256,258	8,257,099
<b>Total Members' Equity</b>	<b>\$59,334,598</b>	\$54,885,683
<b>Total Liabilities and Members' Equity</b>	<b>\$59,500,085</b>	\$54,944,408

### Income and Expenses

As of December 31

Operating Income	2009	2008
Interest from loans	\$1,611,204	\$1,515,782
Income from investments	1,269,192	1,493,592
Other income	144,005	120,334
<b>Total Operating Income</b>	<b>\$3,024,401</b>	\$3,129,708
Expenses	2009	2008
Operating expenses	\$1,638,477	\$1,501,097
Non-operating expenses	269,675	0
Dividend expenses	\$988,078	\$1,419,339
<b>Total Expenses</b>	<b>\$2,896,230</b>	\$2,920,436
<b>Net income</b>	<b>\$128,171</b>	\$209,272