



Chairman's report

Despite the dismal economy, Glendale City Employees Federal Credit Union continues to be healthy and well capitalized. Our policy of lending only to qualified members, avoiding risky investments and making the security of member deposits our number one priority has again proven to be wise and prudent.

Last year, we introduced our MoneyFlex Market Account. Its tiered dividend structure rewards higher balances with higher yields, giving members an incentive to move balances from other financial institutions to their credit union. In addition, federal deposit insurance was increased to \$250,000, which, with our private insurance, gives savers \$500,000 of protection.

Despite the economy our membership grew, driven in part by a successful membership referral program. New members opening qualified accounts received a free vacation, and soon discovered the benefits, value and security of being a member.

Our Home Equity Line of Credit, with its low introductory rate, remained popular, and our 'green' auto loan for fuel-efficient vehicles rewarded auto buyers for reducing both their carbon footprint, and fuel costs. We also offered members a special loan to finance weddings last spring.

We continued to be a good neighbor, participating in several local charitable and environmental awareness activities. We continued our on-going partnership with Friends of The Glendale Public Library, and we're proud to have been named 2008 Sponsor of the Year by Glendale Clean and Beautiful. Staff member Ulda Marroquin participated in an Eco Expo run held to promote ways residents can be more eco-friendly.

Our success would not be possible without the participation of our members, and once again, your support has been outstanding. Thank you, and we anticipate another solid financial performance in 2009.

Respectfully submitted,

Ron Ahlers
Chairman, Board of Directors

Staff

Shirley Tapp	President/CEO
Ophelia Lopez	Member Service Supervisor
Ulda Marroquin	Teller Supervisor
Carolynn Lyons	Business Development
Dolly Negrosa	Loan Officer
Arpi Torosyan	Loan Officer
Claudia Navas	Loan Processor/Teller
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

24-hour access

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

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
- Family Legal Access Plan
- Notary service
- Federal and private deposit protection
- Online consumer tips

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.



517 E. Wilson Ave., Glendale, CA 91206

818/ 548-3976

www.GlendaleCityCU.org



©Aubrey.com GCE-415





Treasurer's report

Despite the economic slowdown, our financial figures remained steady, showing only slight changes from the previous year. Loans declined by just \$218,588, or 1%. Meanwhile, member deposits grew by \$1.1 million, a 2% percent increase. Total assets increased by \$1.2 million.

Dividends paid totaled \$120,170, a 9% increase over last year. Our capital ratio remained strong at 17.32%.

Net income more than doubled, from \$94,969 in 2007 to \$209,272 at year-end 2008.

We compare very well to our peers. Our delinquency ratio is just 0.4%, 64% below the industry averages. Plus, we continue to provide excellent service and competitive dividends while keeping our fees 86% lower than the industry average.

Last year, we were awarded a five-star rating, the highest possible, from BauerFinancial, one of the nation's most respected rating agencies. This is further evidence of our financial strength.

Our policy of wise and prudent investing has allowed us to maintain our financial stability during the current economy, and most important, enable us to remain a reliable financial partner for our members.

Jay Kreitz
Treasurer/CFO

Board of Directors

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

Supervisory Committee's 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

Assets (in millions)



Statement of Financial Condition

Unaudited
As of December 31

Assets	2008	2007
Loans to members	\$21,228,718	\$21,447,306
Allowance for loan loss	(254,503)	(278,479)
Net loans to members	\$20,974,215	\$21,168,827
Cash and investments	32,909,340	31,262,795
Other assets	1,060,853	1,259,507
Total Assets	\$54,944,408	\$53,691,129

Liabilities and Members' Equity

Liabilities	2008	2007
Dividends payable	\$0	\$0
Accounts payable	58,725	93,163
Total Liabilities	\$58,725	\$93,163

Members' Equity

Members' share deposits	\$45,618,661	\$44,535,212
Regular reserves	1,009,923	1,009,923
Undivided earnings	8,257,099	8,052,831
Total Members' Equity	\$54,885,683	\$53,597,966
Total Liabilities and Members' Equity	\$54,944,408	\$53,691,129

Income and Expenses

As of December 31

Operating Income	2008	2007
Interest from loans	\$1,515,782	\$1,367,111
Income from investments	1,493,592	1,385,480
Other income	120,334	117,883
Total Operating Income	\$3,129,708	\$2,870,474

Expenses

Operating expenses	\$1,501,097	\$1,476,336
Dividend expenses	1,419,339	1,299,169
Total Expenses	\$2,920,436	\$2,775,505
Net Income	\$209,272	\$94,969