COAST GUARD ANNUAL MEETING HELD ON APRIL 10, 2013, AT COAST GUARD HEADQUARTERS, WASHINGTON, DC

VOTING BOARD MEMBERS PRESENT: (9)

Officers of the Corporation:

RADM Daniel A. Neptun, President
CWO4 (Ret.) John C. Baker, Vice President
LCDR Omar Vazquez, Treasurer
Mr. Barry M. Boisvere, Secretary

Members of the Board of Control:

PO1 Jeffrey L. Bueche           MCPO Julie A. Gunderson           Mrs. Julie Ann Thomas
LCDR Jo'Andrew D. Cousins       CDR Beth A. Naff                 AUX Bruce A. White

Call to Order:

RADM Neptun called the Meeting to order at 0900.

Introductions:

RADM Neptun began by introducing the officers of the Board and recognizing the other Board members.

President’s Remarks:

In opening remarks RADM Neptun gave a brief overview of CGMA activities. For over 88 years, CGMA has been there to help the men and women of the Coast Guard in time of need. Since its inception in 1924, CGMA has provided more than $166 million in assistance. On an average workday, CGMA provides more than $16,000 in assistance to 23 recipients. CGMA serves as a vital financial safety net, promotes financial stability and general well-being, and ultimately enhances operational readiness.

One particular challenge during 2012 was Hurricane SANDY. The CGMA Representative at Training Center, Cape May, NJ, issued evacuation loans to clients before the storm came ashore. After the storm, clients in and around Sandy Hook, NJ, received loans to help them relocate and to begin replacing their lost belongings. A number of the loans were converted to grants. CGMA provided over $115,000 to clients affected by this storm.
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CGMA is an effective and efficiently run organization due to the diligent day-in and day-out efforts of hundreds of dedicated volunteer field representatives across the Coast Guard, members of the Board of Control and the CGMA staff.

CGMA actively promotes our Coast Guard community, reaching out to help shipmates in their time of need. CGMA remains strong and vibrant, and is prepared to meet whatever challenges lie ahead.

In closing, RADM Neptun noted that the Board was seeking new members and encouraged anyone interested to give serious consideration to running for the Board. Read the President's Remarks

Committee Reports:

Management Committee

LCDR Jo'Andrew Cousins gave the Management Committee Report. The committee developed a Strategic Action Plan, based on the 2012 Strategic Plan, and met a number of strategic goals by implementing the following new programs:

1. A new Adoption Loan program was introduced in 2012. The adoption loan is available to all eligible CGMA clients, and offers up to $6,000 in interest-free assistance for qualifying expenses related to the legal adoption of a child.

2. A new Adoption Grant program was also introduced. Beginning in 2013, all CGMA clients going through the adoption process are eligible for this grant, which provides up to $1000 per client for the home study expense directly related to the legal adoption of a child.

The Management Committee will continue work with the other Committees and CGMA Staff to develop new initiatives and ways to improve and create programs. It will remain actively involved with the Strategic Planning Committee to help reach 2013 Strategic Goals Read the Committee Report

Mutual Assistance Committee

MCPO Julie Gunderson gave the Mutual Assistance Committee Report. During 2012, the Committee reviewed and made decisions or recommendation to the Board on six loan and grant requests. Assistance was provided in three of the six cases. One client requested to be removed from the restricted list and provided further assistance. After due deliberation, the request was disapproved.

All the committee members were commended for their timely review of the requests received and for actively participating in the decision-making.

The Mutual Assistance Committee will continue to give thorough and timely attention to the assistance requests that come in and work with CGMA Staff and the other committees to seek further program improvements in 2013. Read the Committee Report
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Finance Committee

LCDR Omar Vazquez gave the Finance Committee Report.

CGMA received over $2.67M in contributions in 2012. This allowed CGMA to easily provide $4.28M in total assistance between loans and grants in 6,000 cases. In addition, CGMA was in a position to provide more assistance programs to its client base.

Through CGMA’s most popular educational program, the Supplemental Education Grant, $590k was provided to the men and women of the Coast Guard striving to achieve their first college degree. CGMA also nearly doubled spending for the student loan origination fee program this year, providing over $17,000 to help clients with their federal student loans. CGMA also distributed three times more layettes than in 2011, supplying over $22,000 in baby supplies and educational tools to 350 Coast Guard families.

CGMA also began a new program in 2012 that will, upon request, fund unit-wide personal financial training workshops conducted by National Foundation for Credit Counseling member agencies. Several units have already taken advantage of the program.

The investment portfolio reflected $18.2M at the end of 2012. A conservative investment approach protected its value by gaining $425K in interest and dividends. The investment funds remain in place to help those in need when demand exceeds what is in the operating account.

Going forward, CGMA is in an excellent financial position to address the future needs of its clients and expand programs to accommodate the ever changing lives of the Coast Guard family. Read the Committee Report

Audit Committee

CDR Beth Naff gave the Audit Committee report. In January the firm of Murray, Johnson, White & Associates conducted an audit at CGMA-HQ. The final report was issued and presented to the Audit Committee, and the Audit Committee presented the following findings to the Board of Control.

It was the opinion of the firm that the financial statements presented fairly, in all material respects, the financial position of Coast Guard Mutual Assistance, as of December 31, 2012 and 2011.

The auditors were pleased to report that CGMA keeps easily accessible yet secure electronic records. The audit team encountered no difficulties with the records or staff, and there were no required corrections or further testing. It is also noted that CGMA has a strong percentage of spending going towards program expenses rather than administrative or fundraising expenses, an encouraging point for contributors. The risk for CGMA’s reserves is low, as the company portfolio is diversified and held in high quality institutions, all in compliance with CGMA’s current investment policy. The auditors were able to complete the audit and all corresponding reports in February, a fast turnaround due to Coast Guard Mutual Assistance’s organized management. Read the Committee Report
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Excerpts from the audited financial reports will be published in the 2012 Annual Report, and anyone wishing to obtain the complete audit report may do so by request to the CGMA Director of Finance.

Education Committee

Petty Officer Jeff Bueche gave the Education Committee Report. There are a number of education assistance programs currently in place. The Education Committee reviews these programs and recommends changes when appropriate.

The CGMA Education Loan provides up to $2,000 for tuition or other educational expenses not covered by funds from other sources. CGMA issued 92 education loans in 2012 totaling over $137,000.

The Supplemental Education Grant (or SEG) continues to be popular. Last year, these education grants totaled close to $590,000.

CGMA also offers to reimburse the amount of the loan origination fee on Stafford federal student loans and the Federal Parent Loan for Undergraduate Students. CGMA provided over $17,000 in such reimbursements in 2012.

The Education Committee continues to investigate ways to expand existing programs to better meet the financial needs of the Coast Guard community, and would welcome any suggestions related to CGMA’s education assistance programs. Read the Committee Report

Executive Director's Report:

Mr. Barry Boisverse introduced the CGMA Headquarters staff and presented the Executive Director’s Report:

CGMA-HQ Staff:

Barry Boisverse, Executive Director
Nicky Sciortino, Director of Finance
Tanya Mathis, Financial Assistant
Ron Wolf, Director of Administration
Gwendolyn Fouch, Administrative Assistant
Erica Chapman, Client Services Specialist
Carl Mursch, Web Master, Past Executive Director (96-01)

During 2012, like the previous year, CGMA-HQ received approximately 200 requests above the $3,000 Representative limit and again approved approximately 90 percent, many in less than 60 minutes. Field representatives continue to be pleased with the service received from the CGMA staff.
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Probably CGMA’s greatest challenge last year was hurricane SANDY. CGMA provided over $115,000 to folks in need of financial assistance to evacuate and reestablish temporary, as well as new permanent lodging. Many of the loans provided have been converted into grants.

CGMA Outreach Initiatives:

- Staff member Erica Chapman traveled to a number of locations throughout the Coast Guard in 2012 presenting information about CGMA to a wide variety of audiences including unit leadership, crew members and Coast Guard families:
  - Petaluma – Gold Badge workshop
  - Seattle, WA, and Juneau and Ketchikan, AK – various audiences
  - Sandusky, OH – Yellow Ribbon Pre-Deployment workshop
  - Portsmouth, VA – Local field representatives and crew members (accompanied by Mr. Boisvere)

- Unit commanding officers have been very accommodating. CGMA Staff continues to be available to any group that wishes to hear about CGMA’s programs.

- CGMA Staff also initiated a semi-monthly e-newsletter, “Navigating CGMA,” to field representatives in 2012. It serves to highlight the programs and loans that CGMA has to offer. The information is being passed along to Coast Guard Work-Life and to units at weekly planning meetings and all hands meetings to alert members of CGMA services.

Financial Workshops/NFCC:

- Last year, Ms. Chapman and Mr. Boisvere attended a personal financial workshop in Washington, DC, and staff member Nicky Sciortino attended a financial workshop in St. Petersburg, FL. The financial workshops are funded by CGMA and presented in coordination with CG Work-Life and the National Foundation of Credit Counseling (NFCC). The NFCC has been approved by the Coast Guard for its member agencies to conduct financial training at CG units.

- Also, working with the NFCC, CGMA Staff conducted a financial teleconference with NFCC member agencies, CG Work-Life and CGMA Representatives. Close to 100 people participated in the hour long discussion.
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- In October, Mr. Boisvere attended the NFCC's annual conference in Charlotte, NC, where he participated on a panel discussing financial issues affecting military members and their families.

The year 2012 also saw the release of a CGMA promotional video produced by Mr. Al Roker. It may be viewed from the home page of the CGMA website: www.cgmahq.org.

The month of April is CGMA month! The annual fundraising campaign is currently underway and will be wrapping up at the end of April. During last year’s Campaign, CGMA received cash and allotment/payroll deduction pledges totaling $1.98 million dollars. Military allotments and civilian payroll deductions are the Life Blood of CGMA! They account for over $1.6 million annually. Read the Executive Director's Report

Closing Remarks:

RADM Neptun thanked those attending and invited questions and comments.

Adjournment: The meeting adjourned at approximately 0932.

Submitted by: R. C. WOLF
Director of Administration

B. M. Boisvere
Secretary