

# Coast Guard Mutual Assistance

**Annual  
Report**



**2007**

**"We Look  
After Our Own"**

## Coast Guard Mutual Assistance

***Mission – Coast Guard Mutual Assistance strives to promote financial stability and general well being of the people it serves.***

*Coast Guard Mutual Assistance (CGMA) has a long history of helping the men and women of the United States Coast Guard.*

*Originally established in 1924 as The League of Coast Guard Women, the organization was to “minister to the general welfare of the commissioned officers, warrant officers, enlisted men and civilian employees of the Coast Guard and their immediate families.” In 1941, Coast Guard Welfare was formally established and took over the mission from the League. In 1979, the name was changed to Coast Guard Mutual Assistance.*

*CGMA provides financial assistance to thousands of Coast Guard individuals and families each year. Assistance normally takes the form of interest-free loans, grants, financial counseling, and referral to other sources of assistance. Eligibility extends to Active Duty, Retired and Selected Reserve military personnel, Civilian employees, Auxiliary members, and members of the US Public Health Service serving with the Coast Guard, all on behalf of themselves and their families, as well as the surviving spouses and dependent children of those who died while on active duty or in a retired status.*

*CGMA is administered by the Board of Control at Coast Guard Headquarters in Washington, D.C., by 22 Regional Directors in various CGMA regions throughout the country, and by Representatives at 134 selected duty stations. In most cases, people who need assistance submit their requests to a Representative.*

*CGMA has cross servicing agreements with our sister aid societies—Air Force Aid Society, Army Emergency Relief and Navy-Marine Corps Relief Society—and the American Red Cross to provide Active Duty military members with round-the-clock access to emergency assistance when needed.*

*Further information concerning Coast Guard Mutual Assistance is available on the CGMA-HQ Website: [www.cgmahq.org](http://www.cgmahq.org).*

**“We Look After Our Own”**

## Message from the Chairman

I could not be more proud of your generosity and selfless spirit demonstrated in this year's Coast Guard Mutual Assistance (CGMA) Campaign. As you know, CGMA has always been close to my heart. It is Coast Guard people helping each other when times are tough; for some, it provides a sanctuary when there is no where else to turn. What I find particularly remarkable is that over the years, many of us have benefited from a CGMA loan or grant, and yet the fund is never depleted. Instead, it continues to grow into the future. 2007 was no different. In fact, it was a banner year.



CGMA's total assets are now at \$18.5 million. This is a substantial amount, particularly with the tough housing market and rising prices for fuel, food and other necessities, which are all putting a tremendous strain on household budgets. In 2007, CGMA provided direct financial assistance totaling over \$4.1 million in 5,600 cases, with another \$29,000 going to our members from other sources.

At the same time, contributions totaled \$1.78 million, topping the previous year's all-time high. This speaks volumes about our service culture and our Guardian Ethos - members taking care of shipmates, co-workers and families.

CGMA is a community effort, and I want to thank those throughout the Coast Guard who contribute time and expertise to provide the leadership, counsel and day-to-day operational support to keep CGMA running efficiently and effectively. To all Regional Directors, CGMA Representatives and Assistant Representatives, Campaign Workers, and Board of Control Members, well done!

I am pleased to once again report that Coast Guard Mutual Assistance remains strong and healthy, standing ready to support Coast Guard people helping each other.

*Semper Paratus!*

Thad W. Allen  
Admiral, U.S. Coast Guard  
Chairman  
Coast Guard Mutual Assistance

## Operating Overview

Since 1924, Coast Guard Mutual Assistance (CGMA) has been a source of essential financial aid to those in need within the Coast Guard community. Over the years, CGMA has provided over \$143 million in financial assistance. In the past five years, CGMA has provided interest-free loans totaling \$25.7 million and personal and education grants totaling \$3.3 million in 35,000 cases.

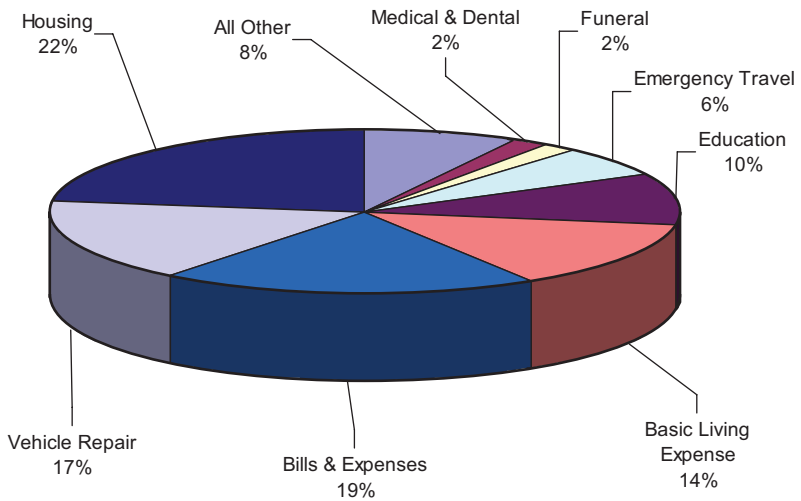
### Assistance

During 2007, Coast Guard Mutual Assistance provided over 5,600 interest-free loans and grants totaling in excess of \$4.1 million. This total was comprised of \$3.7 million in interest-free loans, \$399,000 in education grants, and \$44,000 in personal grants.

|                | Number of<br>Cases | Amount              | Amount<br>Percentage |
|----------------|--------------------|---------------------|----------------------|
| Active Duty    | 4,682              | \$ 3,408,974        | 83.0%                |
| Retired        | 181                | \$ 226,672          | 5.5%                 |
| Civilian       | 384                | \$ 250,571          | 6.1%                 |
| Reserve        | 335                | \$ 145,880          | 3.6%                 |
| Auxiliary      | 12                 | \$ 22,221           | 0.5%                 |
| Widow & Others | 3                  | \$ 4,330            | 0.1%                 |
| DOD            | 23                 | \$ 47,074           | 1.1%                 |
| <b>Totals:</b> | <b>5,620</b>       | <b>\$ 4,105,722</b> | <b>100%</b>          |

Personnel in pay grades E-6/GS-7 and below received 86% of the total assistance provided.

Housing Expenses formed the largest category of assistance in 2007, representing 22% of the total assistance dollars provided. Bills and Expenses accounted for the next largest category at 19%, followed by Vehicle Repair at 17%. The highly utilized Supplemental Education Grant (SEG) program provided \$399,000 in grants, disbursed to over 3,000 recipients.



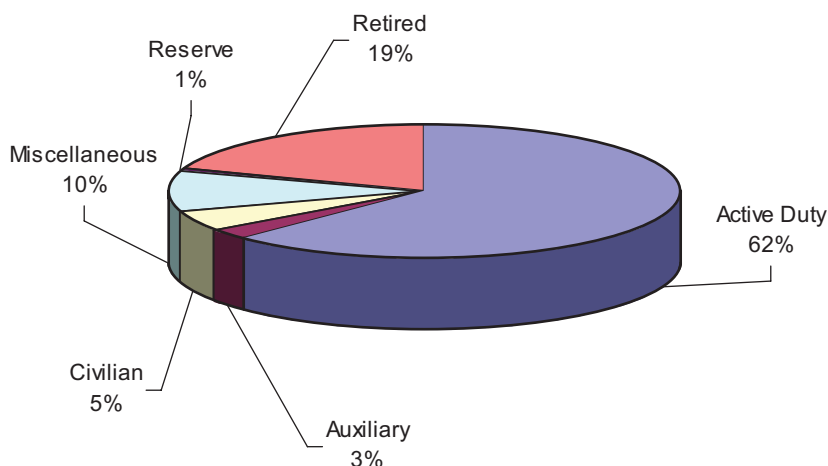
In addition to direct financial assistance through loans or grants, CGMA also helps its clients by reimbursing or paying fees on their behalf for assistance from other sources. In 2007, CGMA provided funding for personal financial management counseling and training, layettes for new-born infants to junior enlisted expectant parents and to others who completed “budgeting for babies” classes, education loan origination fee reimbursements, respite care, and survivor benefits, all at a cost of over \$29,000.

## Contributions

Though CGMA works closely with the Coast Guard, it is an independent non-profit corporation and receives no appropriated or non-appropriated government funds. In order to continue performing its vital role, CGMA needs a steady infusion of funds from voluntary contributions.

Contributions are accepted throughout the year from Coast Guard or other individuals and organizations. During 2007 CGMA received over \$2 million in contributions.

### Overall Contributions



Once again this year, active duty personnel composed the largest group of contributors, providing 62% of the total.

Each year, during the month of April, CGMA conducts a fundraising campaign soliciting contributions from military personnel (Active, Reserve or Retired), civilian employees, and members of the Coast Guard Auxiliary. Campaign cash contributions and allotment (payroll deduction) pledges totaled \$1.78 million in 2007.

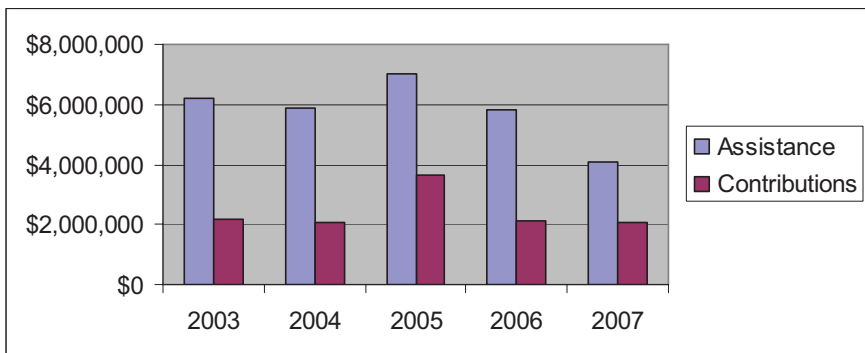
## Campaign Contributions

|                       |           |                         |
|-----------------------|-----------|-------------------------|
| Active Duty           | \$        | 1,237,879               |
| Retired               | \$        | 351,152                 |
| Civilian/MWR/CDC/CGES | \$        | 112,614                 |
| Reserve               | \$        | 20,798                  |
| Auxiliary             | \$        | 43,164                  |
| Special Events        | \$        | 13,347                  |
| <b>Grand Total:</b>   | <b>\$</b> | <b><u>1,778,955</u></b> |

Contributions by allotment/payroll deduction from Active Duty members, Retired Military members and Civilian Employees accounted for 84% of the 2007 campaign related contributions.

## Contributions Compared with Assistance

During the past five years, Coast Guard Mutual Assistance provided an average of \$5.8 million annually in interest-free loans and grants. During the same period, annual charitable contributions to CGMA averaged \$2.4 million. As the following chart indicates, financial assistance has exceeded contributions several times over.

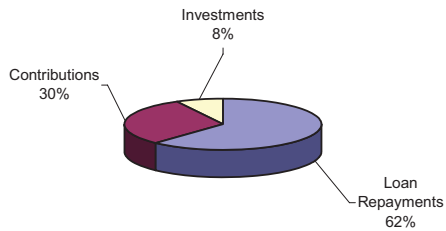


## Source and Use of Funds

Coast Guard Mutual Assistance received \$6.7 million in funds during the year and used \$5.1 million. Loan repayments were the largest single source of funds.

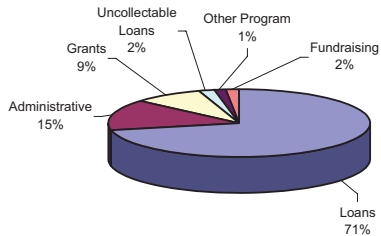
### Source of Funds

|                 |                    |
|-----------------|--------------------|
| Loan Repayments | \$4,183,765        |
| Contributions   | \$2,041,834        |
| Investments     | <u>\$523,897</u>   |
|                 | <u>\$6,749,496</u> |



### Use of Funds

|                     |                    |
|---------------------|--------------------|
| Loans               | \$3,662,351        |
| Administrative      | \$750,132          |
| Grants              | \$443,371          |
| Uncollectable Loans | \$91,318           |
| Other Program       | \$69,514           |
| Fundraising         | <u>\$90,859</u>    |
|                     | <u>\$5,107,545</u> |



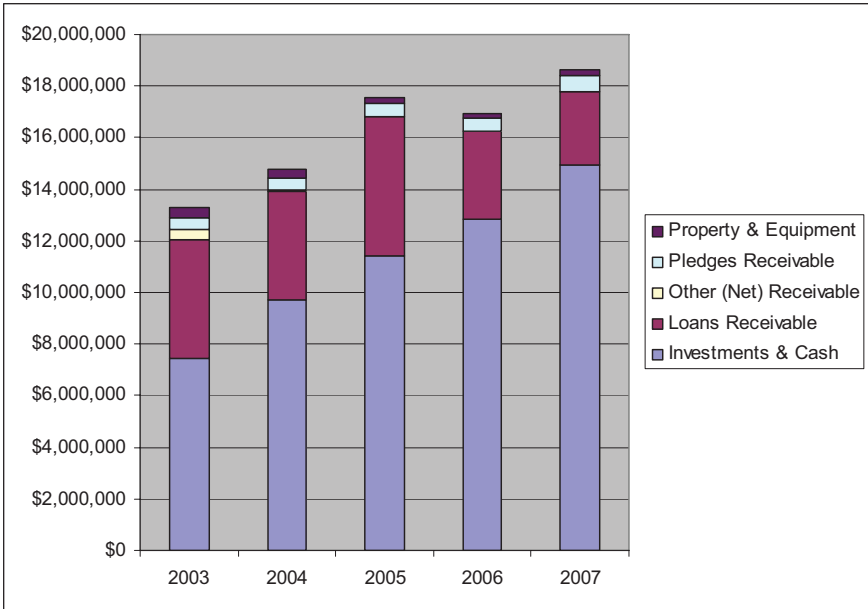
For every dollar contributed in 2007, over \$2 was given in assistance to Coast Guard members.



# Net Worth

Coast Guard Mutual Assistance ended the year in a sound financial position with a net worth of \$18.6 million.

The CGMA staff and the Finance Committee closely monitor and regularly meet with the investment manager to review investment portfolio performance. CGMA’s overall investment objective is to maximize return, consistent with minimizing risk to preserve capital.



## Assistance by Region

| CGMA Region       | Loans        |                    | Grants       |                  | Total        |                    |
|-------------------|--------------|--------------------|--------------|------------------|--------------|--------------------|
| Academy           | 20           | \$29,475           | 41           | \$5,124          | 61           | \$34,599           |
| ATC Mobile        | 84           | \$127,741          | 141          | \$19,634         | 225          | \$147,375          |
| CGMA-HQ           | 24           | \$29,443           | 4            | \$8,444          | 28           | \$37,888           |
| District Fourteen | 84           | \$135,690          | 94           | \$13,579         | 178          | \$149,269          |
| HSC               | 108          | \$190,288          | 159          | \$26,507         | 267          | \$216,795          |
| ISC Alameda       | 246          | \$392,211          | 220          | \$27,254         | 466          | \$419,465          |
| ISC Boston        | 233          | \$335,067          | 254          | \$41,917         | 487          | \$376,984          |
| ISC Cleveland     | 142          | \$178,225          | 227          | \$30,614         | 369          | \$208,839          |
| ISC Ketchikan     | 43           | \$66,607           | 69           | \$9,308          | 112          | \$75,915           |
| ISC Kodiak        | 58           | \$104,111          | 99           | \$12,497         | 157          | \$116,608          |
| ISC Miami         | 285          | \$399,154          | 318          | \$46,781         | 603          | \$445,935          |
| ISC New Orleans   | 226          | \$290,964          | 199          | \$29,265         | 425          | \$320,228          |
| ISC Portsmouth    | 241          | \$310,013          | 348          | \$45,600         | 589          | \$355,613          |
| ISC San Pedro     | 161          | \$236,490          | 108          | \$14,200         | 269          | \$250,690          |
| ISC Seattle       | 163          | \$190,219          | 203          | \$29,168         | 366          | \$219,387          |
| ISC St Louis      | 80           | \$106,035          | 130          | \$26,162         | 210          | \$132,197          |
| MLC Atlantic      | 13           | \$17,249           | 78           | \$9,881          | 91           | \$27,130           |
| MLC Pacific       | 33           | \$62,382           | 33           | \$4,532          | 66           | \$66,914           |
| Sector San Juan   | 26           | \$51,101           | 23           | \$3,100          | 49           | \$54,201           |
| TRACEN Cape May   | 64           | \$96,058           | 52           | \$6,462          | 116          | \$102,520          |
| TRACEN Petaluma   | 105          | \$142,594          | 80           | \$10,363         | 185          | \$152,956          |
| TRACEN Yorktown   | 83           | \$109,885          | 101          | \$13,671         | 184          | \$123,556          |
| Yard              | 54           | \$61,349           | 64           | \$9,309          | 118          | \$70,658           |
| <b>Totals:</b>    | <b>2,576</b> | <b>\$3,662,350</b> | <b>3,045</b> | <b>\$443,372</b> | <b>5,621</b> | <b>\$4,105,722</b> |

Note: Grants are a combination of Personal Grants and Supplemental Education Grants (SEG).

## Statements of Financial Position

For years ended December 31, 2007 and 2006

|                                   | 2007         | 2006         |
|-----------------------------------|--------------|--------------|
| <b>Assets</b>                     |              |              |
| Cash and cash equivalents         | \$1,308,344  | \$1,114,600  |
| Pledges receivable                | \$610,000    | \$520,000    |
| Investments                       | \$13,514,501 | \$11,724,602 |
| Accrued Dividends and Interest    | \$108,248    |              |
| Loans Receivable – Net            | \$2,868,957  | \$3,413,748  |
| Other Receivables                 | \$3,133      | -            |
| Property and equipment – Net      | \$205,189    | \$178,019    |
| Total Assets                      | \$18,618,372 | \$16,950,969 |
| <b>Liabilities and Net Assets</b> |              |              |
| Liabilities                       |              |              |
| Accounts payable                  | -            | -            |
| Accrued salaries and leave        | \$29,504     | \$22,558     |
| Total Liabilities                 | \$29,504     | \$22,558     |
| Net Assets                        |              |              |
| Unrestricted                      | \$17,875,416 | \$16,298,404 |
| Temporarily restricted            | \$713,452    | \$630,007    |
| Total Net Assets                  | \$18,588,868 | \$16,928,411 |
| Total Liabilities and Net Assets  | \$18,618,372 | \$16,950,969 |

## Statements of Financial Activities

|   | 2007         | 2006         |
|---|--------------|--------------|
| <b>Revenues, Gains, and other Support</b> |              |              |
| Contributions                             |              |              |
| Annual campaign collections               | \$1,842,878  | \$1,616,720  |
| Other Donations and Misc.                 | \$198,954    | \$529,888    |
| Grants Repaid/Collection Agency Payments  | \$40,935     | \$41,163     |
| Investments                               |              |              |
| Interest and dividends                    | \$515,891    | \$323,305    |
| Realized and unrealized gains (losses)    | \$492,605    | \$905,079    |
| Investment Management Fees                | (\$92,797)   | (\$78,914)   |
| Donated facilities                        | \$107,189    | \$104,920    |
| Total Revenues, Gains, and Other Support  | \$3,105,655  | \$3,442,161  |
| <b>Expenses</b>                           |              |              |
| Program Expenses                          | \$1,109,463  | \$3,774,333  |
| Supporting Services                       |              |              |
| General and Admin Expenses                | \$198,308    | \$154,942    |
| Fundraising expense                       | \$137,427    | \$121,875    |
| Total Expenses                            | \$1,445,198  | \$4,051,150  |
| Change in Net Assets                      | \$1,660,457  | (\$608,989)  |
| Net Assets at Beginning of Year           | \$16,928,411 | \$17,537,400 |
| Net Assets at End of Year                 | \$18,588,868 | \$16,928,411 |

Independent Audit: Coast Guard Mutual Assistance Financial Statements for the years ended December 31, 2007 and 2006, were audited by independent auditors from the firm Murray, Jonson, White & Associates, LTD, Certified Public Accountants, of Falls Church, Virginia. Copies of the report have been provided to all members of the Coast Guard Mutual Assistance Board of Control. Copies of the audit report are available by contacting the Director of Finance, Coast Guard Mutual Assistance, 4200 Wilson Blvd, Suite 610, Arlington, Virginia 22203-1804.

# Board of Control

December 31, 2007

## Officers

|                |  |
|----------------|--|
| Chairman       | Admiral Thad W. Allen, USCG                        |
| President      | Rear Admiral Clifford I. Pearson, USCG             |
| Vice President | Master Chief Petty Officer Emily L. Jennings, USCG |
| Treasurer      | Chief Warrant Officer John C. Baker, USCG          |
| Secretary      | Mr. Barry M. Boisvere                              |

## Members

|                            |  |
|----------------------------|--|
| Commissioned Officer       | Commander John P. Newby, USCG                        |
| Commissioned Officer       | Lieutenant Commander James P. Houck, USCG            |
| Commissioned Officer       | Lieutenant Jeffrey R. Bray, USCG                     |
| Chief Warrant Officer      | Chief Warrant Officer John C. Baker, USCG            |
| MCPOCG                     | Master Chief Petty Officer CG Charles W. Bowen, USCG |
| Chief Petty Officer        | Master Chief Petty Officer Emily L. Jennings, USCG   |
| Enlisted (E-6 or below)    | Petty Officer First Class Michael E. Clarke, USCG    |
| Enlisted (E-6 or below)    | Petty Officer First Class Alberto N. Peralta, USCG   |
| Reserve                    | Chief Warrant Officer George Paidousis, USCGR        |
| Civilian                   | Mr. Gary A. Seffel                                   |
| Retired                    | Captain Warren G. "Bud" Schneeweis, USCG (Ret.)      |
| Auxiliary                  | Vacant   |
| Officer's Spouse           | Mrs. Michelle R. Bosau                               |
| Enlisted Member's Spouse   | Mrs. Judith Christopher                              |
| Medical/TRICARE Specialist | Ms. Janice L. Gray                                   |
| Family Support Specialist  | Mr. Rodney B. Whaley                                 |

## Alternates

|                     |   |
|---------------------|---|
| MCPOCG              | Chief Petty Officer Crystal Sparks, USCG        |
| Chief Petty Officer | Master Chief Petty Officer Mark H. Allen, USCGR |

## Regional Directors

December 31, 2007

|                              |                                 |
|------------------------------|---------------------------------|
| Academy                      | RADM J. Scott Burhoe, USCG      |
| ATC Mobile                   | CAPT David R. Callahan, USCG    |
| District Fourteenth          | RADM Sally Brice-O'Hara, USCG   |
| Headquarters Support Command | CAPT Jack R. Smith, USCG        |
| ISC Alameda                  | CAPT Pamela A. Russell, USCG    |
| ISC Boston                   | CAPT J. Scott Keene, USCG       |
| ISC Cleveland                | CAPT Michael D. Hudson, USCG    |
| ISC Ketchikan                | CAPT Karl H. Calvo, USCG        |
| ISC Kodiak                   | CAPT Mark S. Carmel, USCG       |
| ISC Miami                    | CAPT Christine D. Balboni, USCG |
| ISC New Orleans              | CAPT Peter K. Oittinen, USCG    |
| ISC Portsmouth               | CAPT Steven J. Andersen, USCG   |
| ISC San Pedro                | CAPT James P. Sommer, USCG      |
| ISC Seattle                  | CAPT William J. Belmondo, USCG  |
| ISC St. Louis                | CAPT George J. Stephanos, USCG  |
| MLC Atlantic                 | RADM Ronald T. Hewitt, USCG     |
| MLC Pacific                  | RDML Manson K. Brown, USCG      |
| Sector San Juan              | CAPT James. E. Tunstall, USCG   |
| TRACEN Cape May              | CAPT Sandra L. Stosz, USCG      |
| TRACEN Petaluma              | CAPT Brian J. Marvin, USCG      |
| TRACEN Yorktown              | CAPT Ann T. Ewalt, USCG         |
| Yard                         | CAPT Stephen C. Duca, USCG      |

# Contributors to Coast Guard Mutual Assistance

*Space does not permit listing every donation, but Coast Guard Mutual Assistance extends its sincere appreciation to all those who generously contributed through the Annual Fundraising Campaign and at other times throughout the year.*

## Corporate and Organization Contributors of \$1,000 or More

Blackbird Enterprises, Inc.  
Century Club Charities  
Consolidated Chapel Fund  
Old Yorke Chapel, Catholic Worship Community,  
Old Yorke Chapel, Protestant Worship Community  
Raytheon Fund In Support of Our Troops  
Rome Finance Company, Inc.  
Schwab, Charitable Fund  
TriWest Healthcare Alliance  
U.S. Coast Guard Academy  
US Coast Guard Auxiliary, Flotilla 41  
US Coast Guard Auxiliary , Flotilla 85  
Washington DC Area CPO Mess

## Individual Contributors of \$1,000 or More

|   |  |
|---|--|
| Mr. William F. Abt, Jr.                           | Mr. Lawrence J. Manieri                |
| Mrs. Jane M. Adams                                | Ms. Elaine J. Merten                   |
| Mr. Harry W. Beardsley                            | Mrs. Ariadna Miller                    |
| Mr. Donald B. Boyd                                | Capt G. H. Moritz, USCG (Ret.)         |
| Ms. Yvonne M. Brown                               | Mr. & Mrs. Stephen M. Morrison         |
| Mr. & Mrs. Floyd F. Gill                          | Mr. & Mrs. Lawrence W. Oliver          |
| CWO4 Phillip E. Goetschalck, USCG (Ret.)          | Capt Pamela A. Russell, USCG           |
| CAPT Michael D. Inman, USCG                       | CAPT & Mrs. Alan B. Smith, USCG (Ret.) |
| CAPT & Mrs. Charles W. Koburger, Jr., USCG (Ret.) | Mr. Paul M. Terrill                    |
|   | PS1 Herbert R. Wistrand, USCG (Ret.)   |

## Author Royalties – *Character in Action*

Donald T. Phillips  
ADM James M. Loy, USCG (Ret.)

## Memorial Contributions

### Received in Memory of.....

Mr. Herb Anderson  
Mr. Leonard C. Bearman  
RADM Henry H. Bell  
Mr. Brian Bernier  
Mr. Walter Block  
PO David Blum  
CDR Richard Buell  
CAPT William F. Cass  
Meridee & Mollie Croy  
Ms. Kathleen DeFerrari  
Mr. Patrick Digby  
Mr. Robert M. Falth  
CPO Yvonne Fredrich  
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SCPO Donald Kuster  
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Ms. Diane Williams  
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CDR Greg Yaroch



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