

PASSION

FOCUS

SERVICE

**2012**

**Annual Report**



# Mission Statement

Meeting Financial Needs –  
“Your Way”

## Values:

- Trustworthy
- People Focused
- Quality Service

# 2012 Reports

## Report from the Chairman

Genisys Credit Union continued to grow in 2012. This continued growth was evidenced not only by year-end assets, but also through the accomplishments of a dedicated staff and management team who embrace the philosophy of putting the member first. Quality service remains a focus, along with providing a full range of competitive products. Our members have given us a 95.65% satisfaction rating, while our Net Promoter Index score continues to be a record high 81.61%. NPI is a customer loyalty metric with a score of 50% or more considered acceptable among the best companies.

Among the service enhancements for our members, during 2012 we introduced our second generation, award-winning iPhone mobile banking application and our new Android mobile application. We enhanced our online check deposit solution and launched a new online banking system which includes budget and reporting tools, as well as enhanced search capabilities, dashboards and an easier way to begin using it. We also know that while our members enjoy the convenience of our electronic channels, many still enjoy that face-to-face connection to which they have become accustomed. To meet both needs, we opened a new and convenient location in Troy, Mich.-fully equipped with an iPad station.

Our commitment to our communities has never been stronger and in 2012 our team and their families volunteered almost 4,000 hours of their time supporting 275 events in the communities we serve. Some of these events included the AIDS Walk, Oakland Livingston Human Services Agency's Annual Walk for Warmth, Lighthouse of Oakland County's Annual Hunger Walk, packaging holiday food boxes for the Baldwin Center, as well as numerous parades, community park events and health fairs. For more information about Genisys' community involvement initiatives, be sure to check the Making a Difference page on the Genisys Credit Union Website.

Genisys also received several noteworthy awards in 2012. For the fourth consecutive year, Genisys employees voted the Credit Union as one of the Detroit Free Press' Top Places to work in Michigan. We were also honored as the Outstanding Credit Union of the Year, presented by the Michigan Credit Union League. In addition, we were named the Auburn Hills Business of the Year, and received the Clarkston Community Collaboration Award, as well as multiple Best of the Best awards received from various local newspaper publications.

Genisys continues to evaluate opportunities to enhance our members' experience through new products and services and improving our current offerings. Your Board of Directors, Management Team and Staff at Genisys are committed to providing

our members with unsurpassed financial services. I am pleased to report that your credit union continues to be financially strong and totally committed to serving its members. The employees and volunteers of Genisys appreciate your business and look forward to continuing to serve you.



Thomas Healy  
Chairman of the Board

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## Report from the Supervisory Committee

The Supervisory Committee, as appointed by the Board of Directors, shares the Board's responsibilities in determining that management practices are protecting the members' assets, in properly administering the Board's policies and procedures, and in safeguarding against fraud and conflict of interest.

In fulfilling its responsibilities, the Supervisory Committee retained the accounting firm of Plante & Moran, PLLC to perform an annual audit of the financial statements and to conduct a verification of member accounts for the year, which ended December 31, 2012. Their complete audit report is available upon request.

Based on the result of audits, examinations, and on-going internal control reviews, the Supervisory Committee can assure members that Management and the Board of Directors have acted in their best interest to ensure continuance of a sound financial institution.



Steven Branch  
Chairperson

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## Report from the Chief Executive Officer

In 2012, Genisys Credit Union continued to focus on serving our members' and our communities' needs. We remain committed to providing the best personal service, bringing convenience through technology and offering the best rates on loans and deposits. Genisys ended the year with nearly \$1.5 billion in assets and a very strong capital to asset ratio of 13.35%. We are proud to report that once again, Genisys grew in assets, deposits, loans and members during 2012. Genisys continued to receive a 5-star rating from the independent rating firm Bauer Financial, which is the best possible rating for a financial institution. Fewer than 10% of all financial institutions in the country have received the 5 star rating for as many consecutive quarters in a row as Genisys.

During 2012, we continued to invest in our employees, our communities and most importantly in our members. We paid out a record number of loans to our members and businesses in our communities and helped members with a multitude of financial needs. In 2012 we offered the lowest rates in our history and by refinancing their loans with Genisys, our members saved hundreds of thousands of dollars. As always, our members' history and unique circumstances are taken into consideration, as we understand the needs of each individual member. Genisys Investment Services also helped more members than ever invest wisely for their future and retirement.

Genisys continued to work to keep members still impacted by the recent economic downturn to remain in their homes. We partnered with local high schools in helping students learn about savings and investments, supported youth robotics teams, helped heat homes, adopted families for the holidays, sponsored anti-bullying events, and even helped our four-legged friends in need.

Our remote delivery channels saw major enhancements and we had record growth in our mobile application usage, as members continued to move from accessing their accounts from their PCs to accessing accounts using mobile devices. Genisys was the first credit union in Michigan to offer mobile check deposit using an iPhone, and now members can enjoy this convenient functionality with their Android device as well. We will continue to enhance all of our remote channels, as we know how important convenience is to our members.

We are also proud to let you know that while most other financial institutions have eliminated their Debit Reward programs, we kept Genisys Rewards and our members redeemed a record 71 million reward points in 2012!

The Financial Statement for 2012 consolidates Genisys Credit Union and its Subsidiaries. The year-end totals for December 31, 2012 are:

Assets	\$1,476,559,441
Deposits	\$1,254,500,520
Net Loans and Mortgages	\$ 750,581,142

Genisys Credit Union continues to be well positioned to serve its more than 135,000 members in meaningful ways through challenging economic times and through good times. With the strong leadership provided by the Board of Directors, as well as the dedication and hard work of the Genisys staff, Genisys will continue to focus on meeting the financial needs of our membership through outstanding quality service, convenient service delivery channels, and competitive rates.



Jacqueline Buchanan  
Chief Executive Officer

# Consolidated Statement of

December 31, 2012

## ASSETS

Cash and cash equivalents  
Investment securities:  
    Available for sale  
    Held to maturity  
Time deposits  
Loans to members  
Accrued interest receivable  
Premises and equipment  
NCUSIF deposit  
Federal Home Loan Bank stock  
Corporate Capital  
Other assets

Total Assets

## LIABILITIES AND MEMBERS' EQUITY

### Liabilities

Members' shares and savings accounts  
Borrowed funds  
Accrued interest payable  
Accrued and other current liabilities

Total Liabilities

### Members' Equity

Total Liabilities & Members' Equity

## Consolidated Statement of

December 31, 2012

## INTEREST INCOME

Loans  
Investment securities

Total Interest Income

## INTEREST EXPENSE

Members' shares and savings accounts  
Borrowed funds

Total Interest Expense

## Net Interest Income

## Provision for Loan Losses

Net Interest Income - After provision for loan losses

## Noninterest Income

Net gain on sale of available-for-sale securities  
Fees and charges  
Other

Total Noninterest Income

## Noninterest Expenses

Compensation and benefits  
Operating expenses  
Occupancy  
Loss on sale of assets  
Temporary corporate credit union stabilization

Total Noninterest Expense

## Net Income

# of FINANCIAL CONDITION

r 31, 2012

	\$145,542,166
	487,423,007
	383,922
	58,451
	750,581,142
	3,390,934
	28,844,084
	11,993,724
	5,515,700
	455,329
	42,370,982
<b>Assets</b>	<b><u>\$ 1,476,559,441</u></b>
	\$ 1,254,500,520
	10,000,000
	432,105
	16,472,491
<b>Liabilities</b>	<b><u>1,281,405,116</u></b>
	195,154,325
<b>Member Equity</b>	<b><u>\$ 1,476,559,441</u></b>

# ement of INCOME

r 31, 2012

	\$ 43,218,215
	8,477,709
<b>Net Income</b>	<b><u>51,695,924</u></b>
	6,008,264
	577,669
<b>Net Expense</b>	<b><u>6,585,933</u></b>
	45,109,991
	5,311,140
	39,798,851
	109,684
	8,172,330
	12,554,661
<b>Net Income</b>	<b><u>20,836,675</u></b>
	21,182,417
	13,025,322
	2,975,997
	448,677
	1,139,404
<b>Net Expense</b>	<b><u>38,771,817</u></b>
	<b><u>\$ 21,863,709</u></b>

Financial statements are available for review at the Credit Union corporate office.

## **Board of Directors**

Thomas Healy – Chairman

Patrick Shaffer – Vice Chairman

Gregory Melega – Secretary

David Stolk – Treasurer

Mark Churay

Peter DeVita

John A. Schulte

Gary Wallen

Brian Zabowski

## **Supervisory Committee**

Steve Branch – Chairman

Debra Ehrmann

Barbara Pasciolla

Glenn Voorhess

Gary Wallen

# Senior Management

President & CEO	Jacqueline Buchanan
SVP/Chief Financial Officer	Gerald Strausbaugh
SVP/Research & Development	Thomas Alter
VP of Marketing & Remote Delivery	Ray Black
VP of Public Relations	Lonnie Bone
VP of Human Resources	Andria George
VP of Sales and Service	Jerry McIlrath
VP of Lending	James Reinhart
VP of Information Technology	Jennifer Robert

Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government

# NCUA

National Credit Union Administration, a U.S. Government Agency

# Michigan Branches

## **Auburn Hills**

2100 Executive Hills Blvd., Auburn Hills 48326  
248-322-9800 x3205

## **Chesterfield Township**

49692 Gratiot Ave., Chesterfield Twp. 48051  
586-598-1786

## **Clarkston**

7357 Deer Lake Rd., Clarkston 48346  
248-620-3278

## **Commerce Township**

2445 Union Lake Rd., Commerce Twp. 48382  
248-363-3539

## **Macomb Township**

50786 Romeo Plank Rd., Macomb Twp. 48044  
586-412-5758

## **Marysville**

207 Huron Blvd., Marysville 48040  
810-364-9290

## **Orion**

4055 S. Lapeer Rd., Orion 48359  
248-370-0530

## **Ortonville**

250 N. Ortonville Rd., Suite B, Ortonville 48462  
248-627-8600

## **Oxford**

168 S. Washington, Oxford 48371  
248-236-8135

## **Plymouth**

13000 Haggerty Rd., Plymouth 48170  
734-453-5440

## **Pontiac**

44400 Woodward Ave., Pontiac 48341  
248-858-2323

## **Rochester Hills - Crooks**

2881 Crooks Rd., Rochester Hills 48309  
248-299-5400

## **Rochester Hills - Avon**

55 W. Avon Rd., Rochester Hills 48307  
248-608-2789

## **Shelby Township**

49675 Van Dyke, Shelby Twp., 48317  
586-323-7060

## **Troy**

1960 E. Big Beaver, Troy 48083  
248-528-0302

## **Waterford - M-59**

7372 Highland Rd., Waterford 48327  
248-666-9742

## **Waterford - Dixie**

4416 Dixie Hwy., Waterford 48329  
248-618-8065

## **Waterford - Walton**

2960 W. Walton Blvd., Waterford 48329  
248-618-0914

## **White Lake**

3671 Highland Rd., White Lake 48383  
248-887-1211

## **Wixom**

160 Wixom Rd., Wixom 48393  
248-926-0648

## **Ypsilanti**

2820 Tyler Rd., Ypsilanti 48198  
734-485-8000

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## **Minnesota Branches**

### **Eagan**

1519 Central Parkway, Suite 110, Eagan 55121  
651-994-4898

### **Roseville**

1490 County Road B West, Suite B, Roseville 55113  
651-633-8443

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## **Pennsylvania Branch**

### **Blue Bell**

1510 DeKalb Pike, Suite A-9, Blue Bell, PA 19422  
610-272-4900



[www.genisyscu.org](http://www.genisyscu.org)