

INVESTING IN OUR MEMBERS AND COMMUNITIES



2014 ANNUAL REPORT

GENISYS
CREDIT UNION

Where you come first.

Mission Statement

Meeting Financial Needs -
"Your Way"

Values:

- Trustworthy
- People Focused
- Quality Service

2014 Reports

Report of the Chairman

Genisys Credit Union continued to grow in 2014. 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 95.36% satisfaction rating, while our Net Promoter Index score continues to be a very high 81%. NPI is a customer loyalty metric with a score of 50% or more considered acceptable among the best companies.

In 2014, Genisys launched a simpler, streamlined online account opening experience. Individuals can apply for a membership either online or by using a tablet or mobile device. Forms are created and signed electronically and funding the account is quick and easy without having to visit a branch.

We introduced our new Rewards Credit Card that allows members to redeem points for travel, merchandise and gift cards. As a product differentiator, members can combine their credit and debit points earned to claim rewards even faster. This is also one of the first credit cards to feature the latest and most secure chip technology. To enhance our card products even more, our debit card now comes with Extended Warranty Insurance, Price Protection and a Satisfaction Guarantee.

Our commitment to our communities has never been stronger and in 2014 our team and their families volunteered over 3,500 hours of their time supporting over 400 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 2014. For the sixth consecutive year, Genisys employees voted Genisys as one of the Detroit Free Press' Top Places to work in Michigan. We were also honored to be voted the #1 Credit Union by WDIV viewers. Other awards included Corp! Magazine's Economic Bright Spot award, the Wellness at Work Award presented by the Rochester Chamber of Commerce, Top Credit Union in the Great Lakes Region, the Communitas Award for Community Partnerships, 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.



Patrick Shaffer, Chairman of the Board

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, 2014. 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.



Barbara Pasciolla, Chairperson

Report of the President & CEO

In 2014, 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 a little over \$1.6 billion in assets and a very strong capital to asset ratio of 14.61%. We are proud to report that once again, Genisys grew in assets, deposits, loans and members during 2014. 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 2014, we continued to invest in our employees, our communities and most importantly in our members.

Your credit union continued to see strong membership growth and once again 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. As always, our members' history and unique circumstances are taken into consideration, as we understand the needs of each individual member. Our Investment Advisors with Genisys Investment Services also helped more members than ever invest wisely for their future and retirement.

In late 2014, we announced the merger between Genisys Credit Union and Tri-Pointe Community Credit Union. The merger is expected to be completed in the second quarter of 2015 and we look forward to serving our more than 175,000 combined members. We also opened a new state-of-the-art branch in Royal Oak, Michigan.

Genisys members also continued to enjoy the convenience of paying bills and depositing checks using their mobile device and with all the functionality available through mobile there is little reason for our members to log into online banking or walk into a branch.

Genisys continued to be involved in the communities we serve by supporting not just people in need of food, clothing, utility assistance and the like, but by partnering with schools and other organizations to help students learn about savings and investments through multiple financial literacy initiatives. Our generous staff and their families also donated many hours of their personal time to the many events we sponsor or support.

The Financial Statement for 2014 consolidates Genisys Credit Union and its Subsidiaries. The year-end totals for December 31, 2014 are:

Assets	\$1,653,526,634
Deposits	\$1,375,718,971
Net Loans and Mortgages	\$1,006,433,234

Genisys Credit Union continues to be well positioned to serve its more than 149,000 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, President & CEO

Consolidated Statement of Financial Condition

December 31, 2014

		Assets	
Cash and cash equivalents			\$ 21,116,383
Investment securities:			
Available for sale		526,491,646	
Held to maturity		135,324	
Time deposits		62,006	
Loans to members - Net (Note 3)		1,006,433,234	
Accrued interest receivable		4,305,421	
Premises and equipment - Net (Note 4)		29,595,176	
NCUSIF deposit		13,064,064	
Federal Home Loan Bank stock		4,919,400	
Other assets		47,403,980	
Total assets			\$ 1,653,526,634
		Liabilities and Members' Equity	
Liabilities			
Members' share and savings accounts (Note 5)			\$ 1,375,718,971
Borrowed funds (Note 7)			10,000,000
Accrued interest payable			405,496
Accrued and other current liabilities (Note 8)			27,186,672
Total liabilities			1,413,311,139
Members' Equity (Note 10)			240,215,495
Total liabilities and members' equity			\$ 1,653,526,634

Consolidated Statement of Income

December 31, 2014

Interest Income			
Loans			\$ 48,649,932
Investment securities			8,502,394
Total interest income			57,152,326
Interest Expense			
Member' share and savings accounts			5,387,328
Borrowed funds			400,485
Total interest expense			5,787,813
Net Interest Income			51,364,513
Provision for Loan Losses			8,384,619
Net Interest Income-After provision for loan losses			42,979,894
Non-interest Income			
Fees and charges			10,566,480
Gain on sale of assets			53,559
Other			12,661,453
Total Non-interest income			23,281,492
Non-interest Expenses			
Compensation and benefits			21,212,843
Operating expenses			15,235,388
Occupancy			2,869,440
Total non-interest expenses			39,317,671
Net Income			\$ 26,943,715

Board of Directors

Patrick Shaffer - Chairman

Brian Zabowski - Vice Chairman

Gregory Melega - Secretary

David Stolk - Treasurer

Mark Churay

Peter DeVita

Thomas Healy

John Schulte

Supervisory Committee

Barbara Pasciolla - Chairperson

James Campbell

Kim Turner

Senior Management

President & CEO

Jacqueline Buchanan

SVP/Chief Financial Officer

Gerald Strausbaugh

SVP/Chief Marketing Officer

Thomas Alter

VP Sales and Service

Jerry McIlrath

VP Lending

James Reinhart

VP Information Technology

Jennifer Robert

VP Human Resources

Andria George

VP Remote Delivery Channels

Michelle Mattson

VP Employer Group Development

Lonnie Bone

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

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

120 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 - Avon

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

Rochester Hills - Crooks

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

Royal Oak

530 N. Main St., Royal Oak 48067
248-268-1557

Shelby Township

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

Troy

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

Waterford - M59

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

Minnesota Branches

Eagan

1519 Central Pkwy. Suite 110, Eagan 55121
651-994-4898

Roseville

1490 County Rd. B West, Ste B, Roseville 55113
651-633-8443

Pennsylvania Branch

Blue Bell

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

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

 **GENISYS**
CREDIT UNION

Where you come first.

www.genisyscu.org