

**SERVICE.
CONVENIENCE.
VALUE.**



**2015
ANNUAL REPORT**

GENISYS
CREDIT UNION

Where you come first.

2015 Reports Report of the Chairman

Mission Statement

Meeting Financial Needs - "Your Way"

Values:

- Trustworthy
- People Focused
- Quality Service

Genisys Credit Union continued to grow in 2015. 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 95.39% 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 2015, we welcomed 25,000 Tri-Pointe Community Credit Union members in to the Genisys family. Through this merger we were happy to add four new Michigan branches located in Grand Blanc, Fenton, Clio and Vassar. We also opened a new branch in Oxford, MI and completely rebuilt our Waterford, MI branch located on Highland Road. We hope our members are enjoying our expanded branch network and new facilities.

Also in 2015 Genisys was recognized nationally as a Top 100 Safest Credit Union by bankrate.com and a Top 200 Healthiest Credit Union by depositaccounts.com. These "safe & sound" accolades are due to our continued growth, extremely favorable key ratios and our very high net worth.

Our commitment to our communities has never been stronger and in 2015 our team and their families volunteered over 3,700 hours of their time supporting over 500 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, the Food Bank of Eastern Michigan Food Drive, 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 calendar on the Genisys Credit Union Website.

Genisys received several noteworthy awards in 2015. For the seventh 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 Financial Advisor by WDIV viewers. Other recognition included multiple Best of the Best awards received from various local newspaper publications such as the Oakland Press, the Citizens Newspaper, the Lake Orion Review and the Oxford Leader.

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, 2015. 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 2015 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 at nearly \$2.0 billion in assets and a very high net worth ratio of 14.65%. We are proud to report that once again, Genisys grew in assets, deposits, loans and members during 2015. 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. In addition, in 2015 we were named a Best of Bauer credit union. Fewer than 5% of all financial institutions in the country have received the 5 star rating for as many consecutive quarters in a row as Genisys.

During 2015, 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 (over \$1 million a day) 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.

Electronic Convenience

This year more new memberships were opened through our online channel than in any one of our branch locations. In addition, existing members are able to open a variety of new accounts online such as share accounts, certificates of deposit and money market accounts. Now qualified members can also use the online channel to skip their loan payments at the click of a button. Genisys members 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. In 2015 we also held several First Time Home Buyers seminars for the communities we serve.

The Financial Statement for 2015 consolidates Genisys Credit Union and its Subsidiaries. The year-end totals for December 31, 2015 are:

Assets	\$1,993,571,908
Deposits	\$1,666,374,020
Net Loans and Mortgages	\$1,149,298,739

Genisys Credit Union continues to be well positioned to serve its more than 180,000 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, 2015

		Assets	
Cash and cash equivalents			\$ 69,725,128
Investment securities:			
Available for sale (Note 3)			665,811,677
Held to maturity (Note 3)			79,376
Time deposits			7,282,787
Loans to members - Net (Note 4)			1,149,298,739
Accrued interest receivable			4,751,243
Premises and equipment - Net (Note 5)			34,678,595
NCUSIF deposit			15,576,003
Federal Home Loan Bank stock			3,675,700
Other assets			42,692,660
Total assets			\$ 1,993,571,908
		Liabilities and Members' Equity	
Liabilities			
Members' share and savings accounts (Note 6)			\$ 1,666,374,020
Borrowed funds (Note 8)			10,000,000
Accrued interest payable			418,612
Accrued and other current liabilities (Note 9)			22,362,433
Total liabilities			1,699,155,065
Members' Equity (Note 11)			294,416,843
Total liabilities and members' equity			\$ 1,993,571,908

Consolidated Statement of Income

December 31, 2015

Interest Income			
Loans			\$ 53,285,859
Investment securities			10,488,809
Total interest income			63,774,668
Interest Expense			
Members' share and savings accounts			6,064,699
Borrowed funds			407,204
Total interest expense			6,471,903
Net Interest Income			57,302,765
Provision for Loan Losses			11,025,453
Net Interest Income -After provision for loan losses			46,277,312
Noninterest Income			
Net gain on sale of securities			106,421
Fees and charges			12,292,672
Bargain purchase gain (Note 2)			3,863,435
Other			15,831,950
Total Non-interest income			32,094,478
Noninterest Expenses			
Compensation and benefits			24,226,178
Operating expenses			17,710,709
Occupancy			3,449,056
Loss on sale of assets			61,455
Total non-interest expenses			45,447,398
Consolidated Net Income			\$ 32,924,392

2015 Financials audited by Plante & Moran, PLLC. The complete audited financial statements are available for review at the Credit Union corporate office.

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

Jennifer Rogers

Senior Management

President & CEO

Jacqueline Buchanan

SVP/Chief Financial Officer

Gerald Strausbaugh

SVP/Chief Marketing Officer

Thomas Alter

SVP 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

Clio

300 Smith Street, Clio 48420
810-686-5756

Commerce Township

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

Fenton

15405 Silver Parkway, Fenton 48430
810-714-9431

Grand Blanc

2343 E. Hill Rd., Grand Blanc 48439
810-694-1301

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

Vassar

659 State Rd., Vassar 48768
989-823-8433

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