

2017

ANNUAL REPORT



Innovative Financial Solutions
For All Generations

**GENISYS**
CREDIT UNION

Where you come first.

2017 Reports

Report of the Chairman

Genisys Credit Union had a very successful 2017. Our 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% satisfaction rating, while our Net Promoter Index score continues to be a very high 79%. NPI is a customer loyalty metric with a score of 50% or more considered acceptable among the best companies.

In 2017, Genisys is proud to have helped our members and communities by paying out almost \$1.7 million in loans per day. These included personal, auto, recreation vehicle, home equity and mortgage loans. We were also happy to open new branches in Clinton Township, MI and Ortonville, MI. In addition, we are looking forward to opening our second branch in Clarkston, MI and a new branch in Lakeville, MN.

During 2017, Genisys was recognized nationally as a Top 200 Healthiest Credit Union by depositaccounts.com and continues to be five-star rated by Bauer Financial. 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 2017 our team and their families volunteered over 3,800 hours of their time supporting over 885 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, multiple Food Bank of Eastern Michigan events, as well as numerous parades, community park events and health fairs. We also enjoy strong relationships with the Detroit Zoo, and our local parks & recreation organizations. 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 2017. For the ninth 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 chosen as an Economic Bright Spot by Corp! Magazine and were awarded the 2017 Communitas Award for our support of Fighting Hunger. Other recognition included multiple Best of the Best awards received from various local newspaper publications including the Clarkston News, Grand Blanc View, 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,

Mission Statement

Meeting Financial Needs - "Your Way"

Values

- Trustworthy
- People Focused
- Quality Service



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.



Brian Zabowski, 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, 2017. 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.



James Campbell, Chairperson

Report from the President & CEO

In 2017 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 over \$2.3 billion in assets and a very high net worth ratio of 15.82%. We are proud to report that in 2017, Genisys had outstanding asset and deposit growth and for six consecutive years now, Genisys has grown in assets, deposits, loans and membership. 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, we remain 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 2017, 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 paid out

over half a billion dollars in 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. In 2017, we also began offering a student loan consolidation product in an effort to reduce interest costs for our members with student loans.

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. More members than ever have taken advantage of our new and improved mobile and online lending solution, as well as electronic signature for a quick and easy loan closing.

We are looking forward to our new and improved mobile and online banking systems which will launch in the summer of 2018. The new systems will have the same great features of our current products plus much more. Hundreds of members are now utilizing CardNav, a mobile app members can use to turn their Genisys debit and credit cards on and off, set transaction limits, limit location usage and much more. With all the functionality available through mobile, there is little reason for our members to log into online banking, or to walk into a branch, however we do still love to see our members in person! Members are also enjoying our member self-service Skip-a-Pay service, whereby qualifying members can skip their monthly loan payment in the event they want to keep a little cash in their pockets.

We are excited to announce our new Genius High Yield Checking account, which pays 3.03% APY when members do just ten debit card transactions and sign up for eStatements! We look forward to giving even more back to our members who use Genisys Credit Union as their primary financial institution.

The Financial Statement for 2017 consolidates Genisys Credit Union and its Subsidiaries. The year-end totals for December 31, 2017 are:

Assets	\$2,338,994,259
Deposits	\$1,956,036,604
Net Loans and Mortgages	\$1,440,028,150

Genisys Credit Union continues to be well positioned to serve its more than 196,000 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, 2017

Assets

Cash and cash equivalents	\$ 94,953,954
Investment securities - Available for sale	683,381,391
Time deposits	65,344
Loans to members - Net of allowance for loan losses of \$22,746,382	1,440,028,150
Accrued interest receivable	5,020,034
NCUSIF deposit	18,827,665
Federal Home Loan Bank Stock	3,780,300
Premises and equipment	37,835,220
Other assets	55,102,201
Total Assets	\$ 2,338,994,259

Liabilities and Members' Equity

Liabilities	
Members' share and savings accounts	\$ 1,956,036,604
Accrued interest payable	582,519
Accrued and other current liabilities	22,234,184
Total Liabilities	1,978,853,307
Members' Equity	360,140,952
Total Liabilities & Members' Equity	\$ 2,338,994,259

Consolidated Statement of Income

December 31, 2017

Interest Income

Loans	\$ 63,370,643
Investment securities	13,379,634
Total Interest Income	76,750,277

Interest Expense

Members' share and savings accounts	8,382,526
Borrowed funds	364,400
Total Interest Expense	8,746,926

Net Interest Income 68,003,351

Provision for Loan Losses 7,654,272

Net Interest Income after Provision for Loan Losses 60,349,079

Noninterest Income

Fees and charges	13,508,073
Net gain on sale of securities	448,099
Interchange revenues	12,379,418
Gain on sale of assets	57,556
Other	5,792,540
Total Noninterest Income	32,185,686

Noninterest Expenses

Compensation and benefits	28,438,921
Occupancy	3,504,751
Operating expenses	20,336,045
Total Noninterest Expense	52,279,717

Net Income \$ 40,255,048

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

Clarkston - Sashabaw

6330 Sashabaw Rd., Clarkston 48346
248-707-6255

Clinton Township

17498 Hall Rd., Clinton Twp. 48038
586-226-8971

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

1101 S. Ortonville Rd., 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

Board of Directors

Brian Zabowski, Chairman

Gregory Melega, Vice Chairman

Mark Churay, Secretary

David Stolk, Treasurer

Peter DeVita

Thomas Healy

John Schulte

Patrick Shaffer

Supervisory Committee

James Campbell, Chairperson

Kristie Bidlake

Barbara Pasciolla

Jennifer Rogers

Kim Turner

Senior Management

President & CEO

Jacqueline Buchanan

Chief Financial Officer

Nathan Davidson

SVP/Chief Marketing Officer

Thomas Alter

SVP/Sales and Service

Jerry McIlrath

VP Lending

Jessica Roshek

VP Information Technology

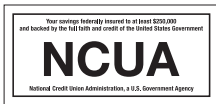
Jennifer Robert

VP Human Resources

Andria George

VP Remote Delivery Channels

Michelle Mattson



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