

# 2019

ANNUAL REPORT



Helping you every step of way.



*Where you come first.*

# 2019 Reports

## Report of The Chairman of the Board and President & CEO

### Strong Growth and High Satisfaction

In 2019 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 \$2.8 billion in assets and a very healthy net worth ratio of 16.61%. We are proud to report that in 2019, Genisys had outstanding loan, deposit and membership growth. Quality service remains a focus, along with providing a full range of competitive products. Our members have given us a 96% satisfaction rating, and our Net Promoter Index score continues to be a very high 80%. NPI is a customer loyalty metric with a score of 50% or more considered acceptable among the best companies.

### Safety & Soundness

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, and we remain a "Best of Bauer" credit union. Fewer than 4% of all financial institutions in the country have received the 5-star rating for as many consecutive quarters in a row as Genisys. Genisys was also recognized again nationally as a Top 200 Healthiest Credit Union by depositaccounts.com. These safety & soundness accolades are due to our continued growth, extremely favorable key ratios and our very high net worth.

### Our Financial Position

The Financial Statement for 2019 consolidates Genisys Credit Union and its Subsidiaries. The year-end totals for December 31, 2019 are:

Assets	\$2,847,190,473
Deposits	\$2,343,089,884
Net Loans and Mortgages	\$2,023,293,554

### Our Products & Services

Through our many lending offerings, Genisys paid out more than \$1 billion in loans to our members in 2019. These included personal, auto, credit cards, RV, business, mortgage and home equity loans. We were so happy to have helped so many consumers and businesses 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.

## Mission Statement

Meeting Financial Needs - "Your Way"

## Values

- Trustworthy
- People Focused
- Quality Service



In 2019 we increased the rate on our very popular Genius Checking account and were pleased to currently be paying our members an annual percentage yield of 4.07% APY. We look forward to giving even more back in 2020, to our members who use Genisys Credit Union as their primary financial institution. We also continued to grow our real estate lending team and helped thousands of our members make their home-ownership dreams come true. We stand ready to help all of our members with the purchase of a new home, an update of an existing home, refinancing their existing mortgage, or simply taking equity out of their existing home to help with any financial need they may have.

### Electronic Convenience

In late 2019, we fully launched our new mobile and online banking systems to our members and we are making frequent updates to these delivery channels. The new systems have the same great features and functionality of our former products, but mobile now includes touch-ID, facial recognition, access to check copies & eStatements, expanded eAlerts, integrated "on/off" debit and credit card controls and much more. Members are also enjoying our self-service Skip-a-Pay, where qualifying members can skip their monthly loan payment in the event they want to keep a little cash in their pockets. In addition, existing members are able to open a variety of new accounts through mobile and online banking, such as share accounts, certificates of deposit and money market accounts. More members than ever have taken advantage of our mobile and online lending solutions, as well as electronic signature for a quick and easy loan closing. 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!

### Branch Convenience

In addition, in 2019 we opened a new branch in Sterling Heights, MI and replaced our small store-front branch in Chesterfield, MI with a beautiful new branch. We remodeled our branch in Grand Blanc, MI and purchased property in Rochester Hills, MI in order to build a new and more convenient branch for our members. We look forward to serving existing and new members in these branches, as well as our other 28 branches in Michigan, Minnesota and Pennsylvania.

### Our Communities

Our commitment to our communities has never been stronger and in 2019 our team and their families volunteered over 5,024 hours of their time supporting over 1,205 events in the communities we serve. Some of these events included the 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.

### Our Team

We continued to invest in our employees and they remain 100% committed to embracing the philosophy of putting our members first. In 2019 our employees voted us a Detroit Free Press Top Workplace for the 12th year in a row, as well as a Best & Brightest Place to Work in Metro Detroit.

Genisys Credit Union continues to be well positioned to serve our 225,000-plus 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 team, Genisys will continue to focus on meeting the financial needs of our membership through unsurpassed financial products & services, outstanding quality service, convenient service delivery channels, and competitive rates. The employees and volunteers of Genisys appreciate your business and look forward to continuing to serve you.

Sincerely,



**Gregory Melega**  
Chairman



**Jackie Buchanan**  
President & CEO

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## Supervisory Committee Report

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, 2019. 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.

**Jennifer Rogers,**  
Chairperson



# Consolidated Statement of Financial Condition

December 31, 2019

## Assets

Cash and cash equivalents	\$ 144,239,130
Investment securities - Available for sale	522,003,884
Time deposits with other financial institutions	11,163,458
Loans held for sale	7,617,755
Loans to members - Net	2,023,293,554
Accrued interest receivable	6,519,144
NCUSIF deposit	21,611,609
Federal Home Loan Bank Stock	4,201,100
Premises and equipment	47,535,867
Other assets	59,004,972
<b>Total Assets</b>	<b>\$ 2,847,190,473</b>

## Liabilities and Members' Equity

<b>Liabilities</b>	
Members' shares and savings accounts	\$ 2,343,089,884
Accrued interest payable	1,622,157
Accrued and other current liabilities	29,661,988
<b>Total Liabilities</b>	<b>2,374,374,029</b>
<b>Members' Equity</b>	<b>472,816,444</b>
<b>Total Liabilities &amp; Members' Equity</b>	<b>\$ 2,847,190,473</b>

# Consolidated Statement of Income

December 31, 2019

## Interest Income

Loans	\$ 96,746,668
Investment securities	14,587,404
<b>Total Interest Income</b>	<b>111,334,072</b>

## Interest Expense

Members' shares and savings accounts	19,934,698
Borrowed funds	282,529
<b>Total Interest Expense</b>	<b>20,217,227</b>

**Net Interest Income** 91,116,845

**Provision for Loan Losses** 11,717,160

**Net Interest Income after Provision for Loan Losses** 79,399,685

## Noninterest Income

Fees and charges	16,141,004
Net gain on sale of securities	53,491
Interchange revenue	16,626,159
Other	8,077,662
<b>Total Noninterest Income</b>	<b>40,898,316</b>

## Noninterest Expense

Compensation and benefits	33,992,196
Occupancy	5,032,624
Operating expenses	25,340,371
<b>Total Noninterest Expense</b>	<b>64,365,191</b>

**Net Income** \$ 55,932,810

## Michigan Branches

### Auburn Hills

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

### Chesterfield Township

47930 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

### Sterling Heights

35790 Van Dyke, Sterling Heights 48312  
586-978-0470

### 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

3300 Central Park Village Dr., Eagan 55121  
651-994-4898

### Lakeville

16106 Pilot Knob Road, Suite 140, Lakeville 55044  
952-595-6064

### 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

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Gregory Melega, Chairman

Thomas Healy, Vice Chairman

Mark Churay, Secretary

Peter DeVita, Treasurer

Brian Zabowski

John Schulte

Patrick Shaffer

James Campbell

Kim Turner

## Supervisory Committee

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Jennifer Rogers, Chairperson

Kristie Bidlake

Barbara Pasciolla

Dave Stolk

James Campbell (Alternate)

## Senior Management

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### President & CEO

Jackie Buchanan

### Chief Financial Officer

Nathan Davidson

### SVP/Sales and Service

Jerry McIlrath

### VP Consumer & Business Lending

Jessica Buck

### VP Real Estate Lending

James Fagan

### VP Information Technology

Matt Chapman

### VP Risk Management

Brian Dowgiallo

### VP Human Resources

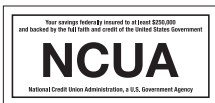
Andria George

### VP Remote Delivery Channels

Michelle Mattson

### VP Marketing

Heather Pizzala



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

