

STRENGTH

GROWTH

STABILITY

2011

Annual Report



Mission Statement

Meeting Financial Needs –
“Your Way”

Values:

- Trustworthy
- People Focused
- Quality Service

2011 Reports Report from the Chairman

Genisys Credit Union continued to grow in 2011. 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 continues to be a focus, along with providing a full range of competitive products. Our members have given us a 95.2% satisfaction rating, while our Net Promoter Index (NPI) score continues to be a very high 79.12%. NPI is a customer loyalty metric with a score of 50% or more considered acceptable among the best companies.

To further enhance our service to our members, during 2011 we introduced several new convenient tools on our website, simplified many of our products, and installed several ATMs with deposit automation. We also know that while our members enjoy the convenience that our electronic channels bring, they still want that face to face connection they have become accustomed to and because of this we have continued to invest in our branches.

Our commitment to our communities has never been stronger and in 2011 our team and their families devoted almost 4,000 hours of their time supporting 310 events in the communities we serve. Some of these events included the AIDS Walk, OLHSA's Annual Walk for Warmth, Lighthouse of Oakland County's Annual Hunger Walk, and holiday food box packing 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 2011. The Genisys staff voted the Credit Union as one of the Top Places to work in Michigan through the annual Detroit Free Press contest. We were also honored to win Corp! Magazine's Best of Michigan Award, the 2011 Communitas Award, the Auburn Hills Chamber of Commerce Business of the Year Award, Corp! Magazine's Michigan Bright Spot Award as well as multiple Best of the Best awards received from various local newspaper publications.

Genisys will continue to evaluate opportunities to enhance our members' experience. Whether through new products and services or improving our current offerings, the 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 our members. The staff and volunteers of Genisys appreciate your business and look forward to continuing to serve you.



Mark Churay
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, 2011. 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.



Glenn E. Voorhess
Chairperson

Report from the Chief Executive Officer

In 2011, Genisys Credit Union celebrated 75 years of serving our members and our communities. Never has the mission of the credit union been as important as it has been over the last three to four years. 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 \$1.3 billion in assets and a very strong capital to asset ratio of 12.65%. We are proud to report that Genisys grew in assets, deposits, loans and members during 2011. 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. Less 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 2011, we continued to invest in our staff, our communities and most importantly in our members. To enhance our ability to deliver what we call the "Genisys Experience", during 2011 we held nearly 200 instructor led product and service training courses for the Genisys staff. Servicing members and building long lasting relationships is what Genisys does best. These relationships help the Genisys staff understand each member's unique needs and in turn helps them offer financial products and services that will benefit them the most.

Our members enjoy low loan rates and the fact that Genisys looks at more than just a credit score when determining credit quality. Our members' history and unique circumstances are taken into consideration and because of this Genisys paid out a record number of loans to our members during 2011. Our mobile channels grew dramatically as many of our members moved from accessing their accounts from their PCs to accessing accounts using smart phones and tablets. Members enjoy performing account transfers, getting their balances and setting up account alerts to notify them when balances fall below a specific amount or when their direct deposit has been posted.

We are also proud to let you know that while most other financial institutions have eliminated their Debit Reward programs, we not only kept ours, we enhanced it by adding a new feature called ShoppingFling. With ShoppingFling members can earn extra bonus points by using their Genisys debit card at a variety of merchants. This is just one more way we were able to give back to our members in 2011 and going forward.

The Financial Statement for 2011 consolidates Genisys Credit Union and its Subsidiaries. The year-end totals for December 31, 2011 are:

Assets	\$1,379,958,000
Deposits	\$1,175,601,000
Net Loans and Mortgages	\$ 733,557,000

Genisys Credit Union continues to be well positioned to serve its more than 127,000 members in a meaningful way 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 FINANCIAL CONDITION

December 31, 2011

ASSETS

Cash and cash equivalents	\$125,025,606
Investment securities:	
Available for sale	429,432,445
Held to maturity	498,447
Time deposits	56,164
Loans to members	733,556,710
Accrued interest receivable	2,220,794
Premises and equipment	28,329,589
NCUSIF deposit	11,178,295
Federal Home Loan Bank stock	5,515,700
Corporate Capital	455,329
Other assets	43,688,626
Total Assets	<u>\$ 1,379,957,705</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:

Members' shares and savings accounts	\$ 1,175,600,626
Borrowed funds	17,500,000
Accrued interest payable	514,973
Accrued and other current liabilities	14,796,639

Total Liabilities

1,208,412,238

Members' Equity

171,545,467

Total Liabilities & Member Equity

\$ 1,379,957,705

Consolidated Statement of INCOME

December 31, 2011

INTEREST INCOME

Loans	\$ 41,556,449
Investment securities	11,642,298

Total Interest Income

53,198,747

INTEREST EXPENSE

Members' shares and savings accounts	7,278,159
Borrowed funds	759,624

Total Interest Expense

8,037,783

Net Interest Income

45,160,964

Provision for Loan Losses

8,228,741

Net Interest Income - After provision for loan losses

36,932,223

Noninterest Income:

Fees and charges	7,626,875
Other	9,410,780

Total Noninterest Income

17,037,655

Noninterest Expenses:

Compensation and benefits	20,297,054
Operating expenses	12,080,094
Occupancy	2,998,588
Loss on sale of assets	554,457
NCUA premium assessment	-
Loss on write-down of available for sale securities	-
Corporate credit union capital impairment	-
Temporary corporate credit union stabilization	2,794,574

Total Noninterest Expense

38,724,767

Net Income

\$ 15,245,111

Board of Directors

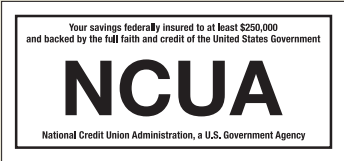
- Mark Churay – Chairman
- Thomas Healy – Vice Chairman
- Gregory Melega – Secretary
- David Stolk – Treasurer
- Peter DeVita
- Robert Gracely
- Kathleen Kalis
- John A. Schulte
- Patrick Shaffer
- Gary Wallen
- Brian Zabowski

Senior Management Listing

- Chief Executive Officer Jacqueline Buchanan
- President/Chief Operations Officer Thomas Alter
- SVP/Chief Financial Officer Gerald Strausbaugh
- VP of Public Relations Lonnie Bone
- VP of Marketing Darren Cameron
- VP of Human Resources Andria George
- VP of Sales and Service Jerry McIlrath
- VP of Lending James Reinhart
- VP of Information Technology Jennifer Robert

Supervisory Committee

- Glenn Voorhess – Chairman
- Steve Branch
- David Stolk
- Debra Ehrmann
- Barbara Pasciolla



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 - Big Beaver

363 W. Big Beaver, Suite 150, Troy 48084
248-528-0302

Troy - John R

4972 John R Rd., Troy 48085
248-740-5932

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

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

Pennsylvania Branch

Blue Bell

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



www.genisyscu.org