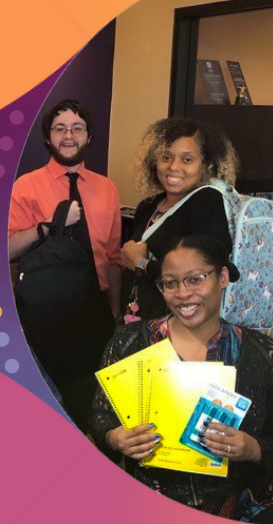




General Electric
Credit Union

2023 Annual Report

Creating Connections



General Elec
Credit Union



Our Mission

Improving the Quality of Financial Lives

Our Vision

Be number one in the hearts and minds of Greater Cincinnatians through our Mission to *Improve the Quality of Financial Lives* for members, team members, and our community.

Core Values

Honesty: Do the right thing

Accountability: Own it

Teamwork: Be there for others

Solutions-Focus: Find a way forward

Table of Contents



Board of Directors	2
Chairperson Report	4
Supervisory Committee Report	6
Treasurer Report	7
Statement of Financial Condition	8
Nominating Committee Report	10
GECU Cares 2023 Community Round-Up.	11
2024 Strategic Direction	12



Board of Directors



Mary Cay Vessells
Chairperson



Michael Johnson
1st Vice Chairperson



Cheryl Hill
2nd Vice Chairperson



Richard Ille
Secretary/Treasurer



Timothy D. Ballinger
President & CEO



Jerry Cabe



Perry Engstrom



Gayle Nyswonger



Robert Peak

Supervisory Committee

Frank Dossman, *Chairperson*
Mark Schlueter and Perry Engstrom

Nominating Committee

Gayle Nyswonger, *Chairperson*

Scholarship Committee

Cheryl Hill, *Chairperson*
Jerry Cabe, Richard Ille,
and Kelly Blount

Annual Meeting Committee

Jill Lingo, Angela Bachmann,
and Kelly Blount

CPA Firm

FORVIS, LLP



Staying true to the credit union philosophy of “People Helping People,” we strive to create a positive environment for our members, team members, and the communities we serve.

Top: Annual GECU Cares event where team members volunteered to help clean up the Ohio River.

Middle: Members of our Branch Administration team at GECU’s company picnic held at our Cornell office this past summer.

Bottom: GECU Cares event where team members participated in Earth Day Clean Up with Keep Cincinnati Beautiful.



Chairperson Report

Mary Cay Vessells



Creating connections has always been at the heart of our organization. The relationships we develop and foster with our members and our communities are what has kept General Electric Credit Union (GECU) going for 70 years. And it's what separates us from other financial institutions; we care about those we serve and are always striving to *Improve the Quality of Financial Lives*.

We continued growing our relationships in 2023, as we reached a total membership of nearly 280,000, representing a 10% year-over-year growth. We saw a similar growth in our product and service usage, a testament to the trust placed in us as a financial partner.

Deposit products:

- Simply Free Checking accounts saw a 26% increase.

- The number of certificates grew by 12%.
- Thrive Money Market and Business Advantage Money Market accounts increased by 50% and 64%, respectively.

Lending products:

- As a top auto lender in the Tri-State area, we financed more than 40,000 indirect auto loans for \$1.3B, for the second year in a row.
- We financed over 1,600 home loans for nearly \$385M. GECU organically grew mortgage loans by 291% compared to 2022.

Our team members remained equally committed to serving our communities. Supporting the credit union philosophy of "People Helping People," we continued giving back through

our GECU Cares volunteer program, Sponsorship Committee, and Robert A. Cunningham Memorial Scholarship. As an organization, we also supported our Giveback Partners (Be Concerned, NEST Community Learning Center, and the Yellow Ribbon Support Center) through financial investment and volunteerism. You can find an overview of our efforts in the Community Round-Up section on page 11 of this report.

“We continued growing our relationships in 2023, as we reached a total membership of nearly 280,000.”

GECU was not immune to the economic headwinds felt in 2023. Over the past several years, when the wind was at our back, it was tempting to



believe it would always be that way. As business is cyclical, headwinds will inevitably shift. Most financial institutions were, and are, struggling through several challenges weighing heavily on their ability to be agile and forward thinking.

While at the same time last year, our members faced heightened pressures resulting from the after-effects from the elimination of pandemic relief and child tax credits, the reinstatement of student loan payments, inflation, and the increase in interest rates. We aligned our interest rates to the broader market, to be well positioned in offering competitive returns on deposits and rates on mortgages and loans. These initiatives were essential to maintaining our

competitive edge and our history of financial strength.

“Our team members have an abundance of positive energy and momentum, and we remain focused on a promising tomorrow while creating connections through our many efforts.”

Much like the communities we serve, GECU is a strong and resilient organization. Our team members have an abundance of positive energy and momentum, and we remain focused on a promising tomorrow while creating connections through our many efforts. And at the center of it all – why we do what we do – is you, our members. I look forward to the ways in which we will grow together in 2024.

Top: Financial Planning and Analytics department teamed up to pack pet food to support the needs of SPCA.

Right: Mortgage department team members.





Supervisory Committee Report

Frank Dossman

The primary responsibility of the Supervisory Committee, working with both internal and external auditors, is to protect the welfare of the Credit Union's members, officials, and team members. Safety of funds, protection of members' balances, and the determination of accuracy in maintenance of accounts and records are under our authority. Your role is to report any transaction you consider unusual or not in agreement with your records to this committee. Working together, we will ensure the continued protection of funds for GECU.

In 2023, the financial records of your Credit Union were audited on a continual basis, and we found them to accurately represent the true financial condition of the Credit Union. Additionally, we conducted account

verification audits by asking members to confirm the accuracy of the Credit Union's records against their own.

Under the direction of the Supervisory Committee, the certified public accounting firm of FORVIS, LLP assisted us by performing our annual audit. The annual examination by the State of Ohio and the National Credit Union Administration was also performed and the Credit Union was found to be in compliance with the laws and regulations set forth by the Ohio Division of Financial Institutions and the National Credit Union Administration.

Based on the results of these audits, I am pleased to report your Credit Union continues to uphold its high standards so you can trust GECU remains financially sound.



Left: GECU team members supported Ashley Cunningham, Chief Development Officer, at NEST's Dancing with the Stars.



Treasurer Report

Richard Ille

I am pleased to report General Electric Credit Union remains a sound and secure financial institution. In 2023, the Credit Union grew and evolved as we continued to focus on deepening our relationship with members and delivering best-in-class products and services.

In continuity with past years, the Credit Union remains one of the largest, locally based financial institutions in the Greater Cincinnati area. Our fundamental business operations remain solid and strong. As with other financial institutions, we recognized we were entering into a very volatile economic and business cycle. In many cases, this resulted in financial difficulties for consumers, including our members, resulting in credit losses.

Financial institutions are required to set aside funds to cover credit losses, in our case this is called an allowance for loan loss account. These funds are in place to absorb losses for members unable to handle financial obligations. While this is something we have always done, a new accounting standard requirement was put into place in early 2023, which

formalized the practice of anticipating and accounting for the potential loss associated with each loan made. This adjustment, along with our projections, required a larger provision than in the past, but has prepared us for the upcoming challenges in 2024.

Numerous years of financial strength and stability positioned us well to weather the storm of 2023, even as those challenges directly impacted the year's earnings. At the same time, they created opportunities for innovation, collaboration, and growth. The planned strategic initiatives we took, as well as the plans that are currently unfolding, will restore our traditional financials and earnings.

We remained true to our Mission as we assessed and reacted to market conditions and the unpredictable economic environment. The safety and soundness of the Credit Union remains solid. I am proud of the role our leadership and Board played and look forward to a successful 2024.

Right: GECU team members at Meals on Wheels helped to make snack boxes and meals for local seniors.



Statement of FINANCIAL CONDITION



ASSETS

	2023*	2022*
Cash and Equivalents	\$311,444,289	\$359,755,579
Investments	\$356,942,993	\$352,957,495
Loans to Members	\$4,268,801,691	\$3,812,687,944
Less: Allowance for Loan Losses	\$(39,352,974)	\$(29,413,052)
Deferred Income	\$53,091,536	\$55,638,055
Other Assets	\$154,334,322	\$133,278,198

TOTAL ASSETS

\$5,105,261,857

\$4,684,904,219

LIABILITIES

Deposit Accounts	\$3,982,584,308	\$4,099,326,308
Other Liabilities	\$816,010,621	\$266,985,595

Total Liabilities

\$4,798,594,927

\$4,366,311,903

MEMBERS' EQUITY

Statutory Earnings	\$13,346,094	\$13,346,094
Retained Earnings	\$350,381,568	\$368,963,070
Net Unrealized Gain/Loss on Investments	\$(53,616,624)	\$(63,716,848)

Total Members' Equity

\$306,666,930

\$318,592,316

TOTAL LIABILITIES AND MEMBERS' EQUITY

\$5,105,261,857

\$4,684,904,219

ASSETS

2023	\$5.11B
2022	\$4.68B
2021	\$3.90B

DEPOSITS

2023	\$3.98B
2022	\$4.10B
2021	\$3.25B

Statement of INCOME



INCOME	2023*	2022*
Total Interest Income	\$209,638,868	\$144,711,915
Total Interest Expense	\$(143,978,778)	\$(51,801,803)
Net Interest Margin	\$65,660,090	\$92,910,112
Loan Loss Provision Expense	\$(22,415,322)	\$(12,852,324)
NET INTEREST INCOME	\$43,244,768	\$80,057,788
Non-Interest Income	\$28,505,319	\$23,236,884
Non-Interest Expenses	\$(80,212,263)	\$(69,354,485)
NET INCOME	\$(8,462,176)	\$33,940,187

\$5.1B

in TOTAL ASSETS

\$4.0B

in DEPOSITS

279.6K

MEMBERS

*Audited

LOANS

2023	\$4.27B
2022	\$3.81B
2021	\$2.93B

MEMBERS

2023	279,569
2022	253,859
2021	226,609



Nominating Committee Report

Gayle Nyswonger

General Electric Credit Union (GECU)'s Board of Directors is comprised of volunteers elected by its membership. One of the many aspects that makes this Credit Union truly great is the dedication and many hours of volunteerism by our Board as they set the direction of the Credit Union and assist with setting policies, approving budgets, and helping to direct strategic planning. It is the responsibility of the Committee to nominate at least one member for each vacancy on the Board of Directors.

In accordance with our by-laws, in February 2024, the Secretary of the Board, Mr. Richard Ille, caused a ballot to be sent to all eligible members of record as of December 31, 2023. Those voting needed to complete their ballot and submit it for receipt by midnight on April 9, 2024.

This year's candidates are listed in alphabetical order.

Incumbent candidates are italicized:

- *Jerry Cabe*
- Gabriel Dikong
- *Perry Engstrom*
- *Michael Johnson*
- Chun-I Lin
- Tiffany Phillips
- Terry Rosengarten

The Nominating Committee appreciates and thanks the candidates for participating in this election process. Their enthusiasm to serve in this volunteer capacity shows their active interest in the Credit Union, its membership, and continued growth. This dedication is a testament to the many ways in which GECU creates valuable connections with members and our communities.

The results of the election are announced at our Annual Meeting.



Left: Team members volunteered at the 9/11 Day service event.



GECU Cares 2023 Community Round-Up

Making a positive impact, **together**

Remaining true to the credit union philosophy of **"People Helping People,"** the **GECU Cares** program celebrates another year of giving back to our communities. Thanks to the hard work and dedication of our team members, upwards of **40%** spent time doing good work and enhancing the lives of others with donations.

Local Support



GECU Giveback Partners

\$30,000 donated to:

- Be Concerned
- NEST Community Learning Center
- Yellow Ribbon Support Center



Holiday Cheer with Operation Give Back

Team members donated over **\$6,500** worth of gifts for **38** local children.



Adopt-A-Kid Backpack Drive with Beech Acres Parenting Center

An estimated **\$8,600** worth of school supply items and **280** backpacks were donated and filled by team members.



Yellow Ribbon Support Center

Over **5,000** items were donated by team members for the GECU SOUPerbowl, ranging from individual-sized snacks to personal care items.

Volunteering



Community Service Overview

Combined between the Do-Good Program and the GECU Giveback Crew, **2,080** service hours by **184** team members were logged, impacting **67** varying community organizations.



Do-Good Program

Team members volunteered **1,540** hours of their own time outside of work hours with local nonprofits of their choosing.



GECU Giveback Crew

Over **540** hours of service at **31** GECU sponsored volunteer events with local nonprofits.



2024 Strategic Direction

Timothy D. Ballinger, President & CEO



On June 21, 1954, our Credit Union was chartered to serve the employees of General Electric Aircraft Engines in Evendale. We had \$200,000 in total assets at the beginning, and in the years that followed, we saw tremendous growth with expanded membership and branches throughout the Greater Cincinnati area.

In celebrating 70 years this year, General Electric Credit Union (GECU) proudly serves 280,000 members throughout the Tri-State. A key component of our organization's longevity is the ability to create true, meaningful connections – with members, our communities, and our partners. As we celebrate our 70th anniversary this year, it's important we not only recognize how far we've come, but also reflect on our foundation and tradition of caring for others.

Before looking ahead, I want to take time to review what the Credit Union accomplished in 2023. One initiative was strengthening the products and services you use every day. For instance, our checking accounts received another great feature with Early Pay, which allows accountholders to receive ACH

deposits (e.g., direct deposit of payroll) up to two days early. We also launched Zelle®¹ to help you easily send money to, or receive from, friends and family using Online Banking and our mobile app. Additionally, we expanded the functionality of our Interactive Teller Machines (ITMs) providing you a complete view of your GECU accounts, even when branches are closed.

We continued to recognize the critical role local organizations play in supporting our communities. For GECU, it was a big year in terms of our hands-on involvement as team members volunteered hundreds of hours in the community. In fact, upwards of 40% of our team members volunteered or personally donated (or both in many cases) in 2023. We also supported numerous local organizations and non-profits, events, and causes to strengthen the communities we serve. We're proud of our collective responsibility in these efforts as everyone has a role to play.

We gratefully received several accolades last year, as well. In addition to being voted best Credit Union in Cincinnati by way of *CityBeat Magazine's* annual "Best of" voting, we also earned

two Best of the Best awards from MemberXP, our member survey partner. Closing out the year, GECU also won first place as the Best Credit Union in Greater Cincinnati as part of *Cincinnati Enquirer's* "Community Choice Awards."

The past year also presented economic headwinds which were not unique to us and were shared across the industry. Through this business cycle, we proactively and comprehensively reviewed business practices, our organizational structure, and volatile market conditions. We positioned ourselves for financial challenges our members may face, with an understanding of varying and diverse needs. It is important we fulfill our Mission, *Improving the Quality of Financial Lives*, with options that are designed for members who are managing day-to-day personal finances, wanting to grow savings over time, and/or have borrowing needs for their home, vehicle, and more.

We have never been an organization that rests on its laurels – and this upcoming year is no exception. We are continuously evaluating and finding new ways to strengthen our line of products and services with the best banking has to offer. Already this year,



we have updated the features of our Home Equity and Equity Rich Line of Credit products and introduced a new Skip-A-Pay tool in Online Banking and our mobile app to make submitting requests easier. In the coming months, you can expect an improved online account opening experience along with several other enhancements we're currently exploring.

Deepening our relationships with the local business and non-profit community will continue this year. Because we have the technology and resources of larger banks, along with the neighborhood culture of a community-based credit union, GECU is uniquely qualified to serve the needs of small- and medium-sized companies, family businesses, and non-profits. As such, we will be expanding the ways in which we support our business members throughout the Greater Cincinnati community.

We look forward to developing long-lasting relationships with those in our West Side community when we open our new branch later this year in

Right: GECU Cares volunteers at Matthew 25: Ministries.


Dent. Located on Harrison Avenue (next to Cincinnati Children's Hospital), this full-service location will feature all the great things you have come to expect from a GECU branch: a true community financial center with friendly and knowledgeable Relationship Consultants ready to help you and your family. Stay tuned for progress updates as we continue through the year.

As they say, change is the one true constant in life – and we must continually evolve and adapt to stay competitive and meet our members' needs. That means investing in technology to enhance our products and services, building new branches, and expanding our reach in the community.

We remain committed to optimizing our Credit Union and achieving our Mission – today and in the future – for all members who are saving, borrowing, or both. At the end of the day, what ultimately defines all these efforts is the human connection. It's a smile, a friendly conversation, and assistance when you need it most. It's knowing that your Credit Union is with you, no matter where your financial journey takes you next.

We look forward to creating more connections this year, the next 70 years, and beyond. Whether you have been a member since 1954 or just joined this year, thank you for your loyalty and trusting in GECU to serve you.





We value **creating connections**
that are built through each interaction, transaction,
and moment shared as your trusted financial partner.
We take pride in ensuring we remain focused
on what matters most – our members.

Thank you for a memorable 2023.
We look forward to 2024.



General Electric Credit Union

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