

MOMENTUM.



generations
federal credit union

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2023 ANNUAL REPORT



MOMENTUM

2023 was a milestone year of Progress, Performance and Achievement.

From our expanded innovative products, services, locations, technology, talented team, and inauguration of our new headquarters, to giving back to our community...
MOMENTUM
 is all around us.




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LETTER FROM THE CEO

2023 was a year of remarkable growth and achievements for Generations Federal Credit Union. We made significant strides in branch expansion, fostered a thriving work environment, and deepened our commitment to the community we serve.

A cornerstone of our growth strategy, 2023 saw the momentous opening of our new Castle Hills Headquarters. This state-of-the-art facility signifies a new chapter for GFCU. Additionally, the groundbreaking ceremony for the Potranco Branch marked an exciting step towards serving even more members.

At GFCU, we believe in fostering a work environment where employees feel valued, respected, and empowered. This dedication paid off as we were honored with the San Antonio Express-News Top Workplaces Award, marking the 11th time GFCU has received this prestigious recognition. We celebrated this incredible achievement with a special Employee Appreciation Day, recognizing the dedicated team that makes it all possible. This spirit of collaboration and care is the backbone of our organization, allowing us to translate it into exceptional service for our members.

As a Member Owned, Community Grown credit union, our commitment extends out to the people we serve. At the San Antonio Sports 2023 Corporate Cup, we not only participated with enthusiasm but emerged as fundraising champions! Thanks to the combined efforts of our team, an incredible \$57,528 was raised - the highest amount donated by GFCU to date. These funds will benefit vital community organizations like the San Antonio Food Bank, Haven for Hope, and Boys & Girls Clubs of San Antonio. We are proud to be a force for positive change in the lives of those who need it most.

We are constantly evolving to better serve our members. In 2023, we launched Generations Rewards, our new Visa® Credit Card Rewards program, to bring even more value to GFCU membership. We also introduced GEN Pay, our Buy Now, Pay Later program, to provide members with a convenient and flexible way to manage their spending. Since its launch, GEN Pay has seen tremendous success, reflecting our commitment to offering innovative solutions. Our teams also began work on our new Member Relationship Management platform, which will streamline member interactions and pave the way for greater efficiency and personalized service.

Our passion for empowering our members doesn't stop there. Generations Investment Group Financial Advisors hosted a well-attended online Retirement Planning webinar, equipping our members with the knowledge and tools to navigate their financial future.

Jessica Hernandez, SVP of Operations, was invited to the prestigious Bank on Purpose Conference, where we were recognized as the Most Philanthropic Financial Institution of the Year! This national honor serves as a testament to our steadfast dedication to community impact. As a local financial institution, we are deeply invested in making a tangible difference in the lives of our neighbors.

At Generations FCU, we are energized by the achievements of 2023 and excited to continue on this positive trajectory. We remain dedicated to providing exceptional financial services, fostering a thriving work environment, and actively contributing to our community. We look forward to building momentum for both Generations FCU and our valued members.

Ken Raymie
President & CEO



LETTER FROM THE BOARD CHAIR

Generations FCU is deeply rooted in San Antonio, founded in 1940 by public servants with a mission to serve the community that built us. This year, we've taken that commitment even further, making a collective impact that's building momentum for a stronger future.

We kicked off 2023 celebrating our local heroes on National Law Enforcement Appreciation Day, delivering treats to the incredible men and women of the San Antonio Police Department, Castle Hills Police Department, and Balcones Heights Police Department. These dedicated officers, staff, and dispatchers keep our streets safe every day.

The year got even sweeter with our participation in the 2023 San Antonio Sports Corporate Cup. Not only did our teams have a blast competing, but we also emerged as fundraising champions. Thanks to our members and volunteers, we raised a staggering \$57,528 for essential local organizations like the SA Food Bank, Haven for Hope, and the Boys & Girls Clubs of San Antonio. This achievement marks our fourth consecutive Charity Challenge Championship win, a testament to our unwavering commitment to giving back.

Summer brought another opportunity for Generations FCU to make a difference. Partnering with Communities in Schools of San Antonio's Stuff the Bus campaign, we collected an impressive 4,121 school supplies and a \$3,580 cash donation. Thanks to the generosity of our branch teams, members, and volunteers, we were recognized as the top donor in the medium-size business category.

Fall presented some friendly competition among our branches as they creatively raised funds for the Leukemia & Lymphoma Society through bake sales, homemade meals, and gift baskets. We proudly walked for LLS Light the Night at Hemisfair Park and raised a record-breaking \$33,492 for this important cause.

Every year we launch the holiday season with Turkey Express, continuing our tradition of providing Thanksgiving meals to fire stations, police stations, and sheriff's offices throughout San Antonio. This is our way of saying "thank you" to the men and women in uniform who keep our community safe as we celebrate with our families. In November and December, we also partnered with the SA Fire Department's Santa's Firefighter Toy Drive, Ma Hila's Heart, and Boysville, Inc., to bring smiles to children across our city.

Looking back at 2023, we're filled with immense pride. Together, we raised a grand total of \$343,419.13, combining financial contributions and volunteer hours dedicated to numerous local organizations. Our dedicated #GFCUCares Team logged an impressive 953.25 volunteer hours, serving community-serving nonprofits large and small that help improve the lives of people throughout our community.

These achievements wouldn't be possible without our incredible members, employees, and partner organizations. Together, we're making waves in San Antonio. We extend our sincere gratitude to our member-owners – your membership fuels these positive changes. As a Member Owned, Community Grown credit union, we're building a stronger community for the next generation, together.

Larry Reed
Chair, Board of Directors



LETTER FROM THE SUPERVISORY COMMITTEE

The Supervisory Committee is tasked with overseeing independent audits of the Credit Union to ensure that member funds are managed appropriately and that assets are safeguarded. Additionally, the Supervisory Committee evaluates the effectiveness of internal controls and makes recommendations for improvement, ensures annual financial statement audits, and verifies member accounts. The committee is established by law and is an integral part of ensuring the credit union's operational process and fiscal soundness on behalf of its member owners.

Each year, the Credit Union undertakes two independent reviews. In 2023, Generations FCU's Vice President of Risk Management, Erica Garza worked with an independent auditor on the execution of an audit, and with the National Credit Union Administration on a comprehensive exam. The findings of these reviews confirmed that we are a secure financial institution which continues to operate in an optimized manner.

Thank you for your continued trust and support.

Robert Westbrook
Chair, Supervisory Committee

LETTER FROM THE TREASURER

Generations FCU's progress in 2022 continued forward in 2023. For the year ending December 31, 2023, the Credit Union's net income totaled \$4,711,108. For the prior year ending December 31, 2022, Generations reported a Net Income of \$5,105,876. The pages ahead demonstrate the growth Generations realized in 2023. Throughout 2023, the Generations team added to our product and service offerings while enhancing efficiency, resulting in value delivered to members.

Warren Schott
Treasurer, Board of Directors

	2023	2022	Change
Assets	\$757,078,583	\$729,932,401	3.7%
Loans	\$554,049,815	\$532,512,693	4.0%
Deposits	\$624,969,633	\$670,010,536	(6.7%)

COMPARATIVE BALANCE SHEET

Assets	Dec. 31, 2023 (Unaudited)	Dec. 31, 2022 (Unaudited)
Loans	\$554,049,815	\$532,512,693
Allow for Loan Loss	(\$3,958,637)	(\$1,990,915)
Cash	\$28,630,229	\$17,232,887
Investments	\$104,016,657	\$113,560,534
Accrued Interest	\$2,306,651	\$1,983,256
Prepaid Expenses	\$1,650,795	\$1,812,065
Other Assets	\$30,185,341	\$29,381,832
Fixed Assets (Net)	\$40,197,732	\$35,440,049
Total Assets	\$757,078,583	\$729,932,401

Liabilities		
Accounts Payable	\$11,787,061	\$8,944,628
Notes & Interest Payable	\$63,318,000	\$0
Accrued Expenses	\$1,208,406	\$1,247,390
Other Liabilities	\$268,958	\$205,935
Total Liabilities	\$76,582,425	\$10,397,953

Equity		
Regular Shares	\$194,450,923	\$207,077,484
IRAs	\$17,674,036	\$18,770,010
Term Share Certificates	\$140,281,031	\$159,225,618
Money Market Accounts	\$79,619,175	\$103,194,480
Share Draft Accounts	\$192,944,468	\$181,742,944
Regular Reserves	\$0	\$7,082,163
Other Equity	(\$13,703,222)	(\$17,389,311)
Undivided Earnings	\$69,229,745	\$59,831,060
Total Equity	\$680,496,156	\$719,534,448

Total Liabilities & Equity	\$757,078,581	\$729,932,401
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COMPARATIVE INCOME STATEMENT

Income	FOR THE YEAR ENDED DEC. 31	
	2023 (Unaudited)	2022 (Unaudited)
Loan Interest Income	\$29,469,900	\$22,834,895
Investment Interest Income	\$7,141,544	\$1,862,798
Members Fee & Other Income	\$19,335,304	\$16,229,012
Total Income	\$55,946,748	\$40,926,705

Expenses:		
Less Operating Expenses	(\$41,741,129)	(\$32,210,954)
Less Provision for Loan Losses	(\$4,538,352)	(\$755,697)
Income Before Dividends	\$9,667,267	\$7,960,054
Less Dividends to Members	(\$6,657,756)	(\$2,954,767)
Net Income from Operations	\$3,009,511	\$5,005,287
Non-Operating Gain(Loss)	\$1,701,597	\$100,589
Net Income After Gain (Loss)	\$4,711,108	\$5,105,876



As a recruiter for our organization, job candidates often ask about our culture. It's such an important question! But it's also important to me that they understand how Generations is more than an outstanding workplace with competitive pay and benefits. We're also a family. Every time we get together, you can see the true caring and community among our team members. It's rewarding to experience the workplace that we've intentionally built to be a top employer in our industry.

Marissa Scheffler

Assistant Vice President of Human Resources

BOARD OF DIRECTORS



Larry Reed
Board Chair



Rosalie O. Manzano
Board Vice Chair



Veronica Godley
Board Secretary



Warren Scott
Board Treasurer



James Bell
Board Member



Joseph Martinez
Board Member



Anthony Rogers, Ph.D.
Board Member



James Smith
Board Member



Mike Trainer
Board Member



George Whitfield, Jr.
Board Emeritus

SUPERVISORY COMMITTEE MEMBERS

Robert Westbrook
Supervisory
Committee Chair

Kate Martin

Kevin Burton

Anthony Rogers, Ph.D.

LEADERSHIP

Ken Raymie
President & CEO

Rick Divina
Senior Vice President/
Chief Financial Officer

Mark Johnston
Senior Vice President/
Chief Lending Officer

Jessica Hernandez
Senior Vice President
of Operations

Wendy Albers
Senior Vice President
of Member Experience

Erica Garza
Vice President of Risk
Management

Letty Gonzales
Vice President of
Member Engagement

Eve Hernandez
Vice President of
Marketing

Kate Himes
Vice President of
Consumer Lending

Angela Howorth
Vice President of
Human Resources

Brent Mora
Vice President of
Mortgage Lending

Danielle Smothers
Vice President of
Retail Delivery

Samantha Olivarez
Assistant Vice President
of Information Technology

Isabel Rios
Assistant Vice President
of Member Experience

Marissa Scheffler
Assistant Vice President
of Human Resources



Generations was founded by public servants; local people dedicated to serving our community. That is built into our culture. Our credit union is here to help improve members' financial well-being, but we're also here to give back by coming together to support families in need. Every day I'm humbled by the generosity of our team members at all levels, from raising donations and food items to volunteering. When I see children opening gifts, or when I get to present a check to help fight cancer, I know we're making a positive difference together.

Letty Gonzales
Vice President of Member Engagement

MEMBER ENGAGEMENT



International Firefighters' Day

Generations FCU is proud to support local firefighters, who are part of our founding membership groups, on International Firefighters' Day. Our teams visit fire stations with tokens of our appreciation and our thanks for keeping our community safe.

Stuff the Bus Communities in Schools

Our teams and members donated thousands of school supply items, filling dozens of bins to help Communities in Schools of San Antonio Stuff the Bus for school children throughout the city. We were so excited to learn that GFCU was the top donor in our division!



100 Club of SA Meatball Roll

The 100 Club of San Antonio supports first responders, providing assistance and college scholarships to the children whose parents fall in the line of duty. At the Meatball Roll, volunteers gather to roll thousands of meatballs for the Spaghetti Dinner fundraiser, and GFCU is happy to do our part to help.

Leukemia & Lymphoma Society Light the Night

Bringing light to the darkness of cancer is a cause close to the hearts of many GFCU team members. We support the Leukemia & Lymphoma Society's annual Light the Night event to raise funds and awareness to find a cure and support patients with blood cancers.



San Antonio Firefighters Toy Drive

When our friends at San Antonio Fire Department call for a hand, we bring it! We gathered donations, sorted and wrapped toys, helping to make sure children in need get to experience holiday cheer.

Ma Hila's Heart Christmas Party

Our President and CEO and Ma Hila's Heart Board Member Ken Raymie put on his finest Santa Suit for the organization's Community of Givers event. This nonprofit supports families with children, adolescents and young adults battling cancer, and "put our hearts where the hurt is."





Generations FCU has been the financial institution of choice for me and generations of my family for over 60 years. My Dad worked for the City of San Antonio and joined GFCU due to their focused attention on city workers and their families. I have multiple accounts with GFCU and their high level of member service, convenience and ability to find solutions for my financial needs is why I am and continue to be a member.

Sandra Russell
Member

2023 AWARDS & RECOGNITION

Top Workplaces

We're absolutely thrilled to be named a San Antonio Express-News Top Workplace for the 11th time. This recognition is a true testament to our amazing team and their commitment to fostering a positive and supportive work environment. On a special note, GFCU was also awarded the Appreciation Award! This award highlights our emphasis on sharing gratitude, a value that is important to everyone at GFCU. A strong company culture is the foundation of our Member Owned, Community Grown service. Thank you to our incredible team for making this possible.

Corporate Cup Charity Challenge

Our teams celebrated our fourth consecutive win, bringing home the San Antonio Sports Charity Challenge Champion honors in our division. We're incredibly proud of this achievement! Beyond the win, we're thrilled to have contributed \$57,528 to local charities like SA Sports, SA Food Bank, Boys & Girls Clubs, and Haven for Hope. We also collected donations for the South Texas Blood and Tissue Center. We're so pleased that our community focus is making waves for our neighbors and families in need.

Q2 Most Philanthropic Financial Institution of the Year

Generations FCU was named Most Philanthropic Financial Institution of the Year by our online and mobile banking partner organization, Q2. This award highlights industry leaders who use innovation to fulfill their mission to positively impact their community. We are grateful to be recognized with this honor, living out the credit union philosophy of People Helping People.

Mayor's Fitness Council Healthy Workplace

GFCU was named to the San Antonio Business Group on Health (SABGH) and the Mayor's Fitness Council Healthy Workplace Recognition Program. GFCU offers competitive and comprehensive healthcare benefits to its team members. The Human Resources and Learning and Development leaders have developed a wide range of wellness and fitness programs and challenges to help each employee to thrive. We're excited to be honored for this work, and we're motivated to keep striving for excellence.

Meridian Link Arc Award

Consumer Lending team also recently received the inaugural Arc Award from our partner Meridian Link, recognizing our team's strategic use of MeridianLink solutions in creative ways to solve business challenges, fuel growth, and assist their clients and communities. Congratulations to our Consumer Lending and IT teams for bringing these solutions to GFCU members.

Letty Gonzales, VP of Member Engagement

Fostering a Network of Support Award, The 6th Annual For Her Future Gala

Our Member Engagement leader was recognized for her work in educating and building equity for women by providing a network of support and resources that promote self-sufficiency and well-being.



When my husband and I were in the market for our first home together, we turned to Generations FCU. Their rates were competitive and gave us an advantage to secure our home during a volatile and competitive time in the market. We had a full team behind us from the start to help bring our dream to fruition. They put the San Antonio community first and it shows in the way they treat their members. We will always choose Generations FCU!

Yesenia Smith
Member



#GFCUCares

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