



2023 ANNUAL REPORT

MAKING A

Difference



CHAIRPERSON'S REPORT

APRIL 2024

TO OUR MEMBERS:

The past year was a challenging year for your Credit Union. Rising inflation and increased government regulations required our staff to examine our procedures to ensure we were efficiently providing the best financial services to you.

Financial Stability, Member Service and Community are the three key areas Gateway Metro Federal Credit Union strives to deliver to the members and the people of the St. Louis region. The vision from your Board of Directors is to attain these through financial preparedness, protection for our member accounts and to promote local organizations that have helped our fellow citizens not only today, but for tomorrow.

As reported in the Supervisory Committee report we were examined by the National Credit Union Administration in 2023 and I'm happy to report to you that your credit union received a "clean exam".

I encourage and request from our members to seek others to join your credit union. The survival of many organizations today is dependent on getting more members, younger members, to join and be our future.

I also encourage you to read the President's Report which points out many of the benefits provided to our members which delivered the Financial Stability and Member Service to you and to our community.

Your Credit Union started 89 years ago in 1935. The Board, Management, and Employees look forward to many more years of service to you. As always we thank you for your trust and confidence.

Respectfully Submitted,

David Schmid

Chairperson

SUPERVISORY COMMITTEE REPORT

April 2024

The complexities of the financial industry continue to develop as we look for better products, faster service and quicker response times. However, along with this fast moving development we must also look at safety and soundness of the new products and access points to member information and accounts.

It is no longer just simple cash counts and review of member information. Gateway Metro Federal Credit Union has always been progressive, offering members the latest services and products. As services and products have improved to be more convenient and accessible, so have the credit union's internal controls and monitoring tools. Innovation in member service, Bank Secrecy Act, Information Technology, Cybersecurity and Regulatory Oversight all touch the daily duties of the Supervisory Committee.

The Supervisory Committee utilizes an on staff individual to be the eyes and ears of the activities taking place at your credit union. The Director of Quality Assurance monitors and ensures compliance with established policies and procedures set forth by the Board of Directors. In complement to this the Board of Directors encourages Supervisory members to attend board meetings so we are aware of key discussions and strategic plans. This transparency only builds toward a holistic approach to protecting our member's information and money.

For 2023, the Supervisory Committee has again engaged Scheffle Boyle, CPAs to perform the year's annual audit. Gateway Metro received an unqualified audit opinion for 2023. Under the requirement of Financial Accounting Standards Board (FASB), the credit union fully adopted Accounting Standards Update (ASU) No. 2016-13, Topic 326 "Current Expected Credit Loss (CECL)" standard for reserving for loan losses. This standard was required to be done by all financial institutions, both credit unions and banks. The National Credit Union Administration (NCUA) performed their annual risk focused examination as of June 2023. The NCUA focused on several areas including cybersecurity, consumer and mortgage loans, compliance and reserves for delinquent loans.

Not only does Gateway Metro carry the \$250,000 federal deposit insurance for member's deposits, it consistently utilizes strong internal controls to protect member's financial interests. Rest assured that your loans and deposits are safe at your credit union.

Respectfully Submitted,

Amanda Shive

Supervisory Committee Chairperson

PRESIDENT'S REPORT

APRIL 2024

With the Federal Reserve's aggressive actions to stem inflation, consumers and businesses felt the pressure to access reserves in order to meet their daily needs. Families had to make many adjustments to their overall household budgets in order to make car payments, mortgage payments and other household expenses. Many of our members transitioned money out of reserves attained during the COVID pandemic by withdrawing out of their savings, money market accounts and share draft accounts. Some members also took actions to pay down debt in order to reduce interest owed and to "right" their household balance sheets.

FINANCIAL PREPAREDNESS

While our members took needed actions so did your credit union by stabilizing our liquidity positions to ensure we met our members' withdrawal and loan needs. These actions did not just happen overnight. These financial actions were built into our balance sheet years prior in following tested Asset and Liability strategies. While the financial world was in upheaval with the SVB bank, First Republic and Signature Bank incidents, your credit union's sound business practices and financially savvy members ensured Gateway Metro Federal CU did not suffer the same fate. In those banks, a majority of deposits were uninsured, while here at Gateway Metro a majority of our members have structured their accounts to be fully insured up to the \$250,000 NCUA insurance. As of December our members insured almost 97% of their deposits.

PROTECTION FOR OUR MEMBERS

Our staff has been charged with the responsibility to stay informed of the various threats and criminal actions that place our member's accounts in jeopardy. While no plan is 100% bullet proof, there are many actions the staff has taken during 2023 that should give solace to our membership. One area is continual scans and testing for Cyber Security threats, malware and viruses on the credit union network. Another area is continual staff training on various products and services such as the credit union's various online and mobile app products. These each offer multiple protective features and benefits that allow the member to be proactive in protecting their account. Finally, a product just introduced at the end of 2023 was the Trusted Contact Person program. This program encourages members to provide the name and contact information

of a party they trust to work in their best interest should staff note unusual member behavior or concern. For example, if credit union staff believe an individual is being forced to make a withdrawal under duress or by coercion, this form would allow staff to contact a trusted person to have them do a welfare check on the member. This program offers the credit union another tool to help support and protect our members from the bad actors we know are looking to take advantage of our community.

Gateway Metro is made up of great members and it is also made up of great staff always trying to do the right thing to protect our members.



COMMUNITY

For 2023, Gateway Metro raised money for St. Louis Crisis Nursery. Staff raised money through dress down days, candy sales and a trivia night. All served to raise awareness and money for this great organization. Our members and non-members contributed by providing donations at our shred and recycle events. Diapers, formula, toys and clothing were greatly appreciated by the staff of the nursery. Overall, Gateway Metro staff, members and community raised over \$12,000 and donated well over \$2,000 in products. Remaining true to its original mission of child abuse and neglect prevention, the Nursery now works to strengthen the whole family through highly-accessible services offered in-home and in the community, including trauma-informed crisis intervention, strength-based counseling, parenting education, community outreach, and care coordination for families. A “thank you” to our membership, staff and community for making 2023 a successful year for contributing to such a worthy and just cause. Other community activities include our many shred and recycle events, the Next Steps Career Fair with the Little Bit Foundation, support of the St. Louis Symphony Youth Orchestra and financial education to various St. Louis organizations.



OUR PROMISE FOR THE YEAR AHEAD

No one knows what the future holds, but for 2024 we promise to focus on continued service to our membership and community. On behalf of our management team and staff thank you for your support.

Thank You,

Jerome Lewis,
President/CEO



2023 Volunteer Board & Committee Members

Board of Directors

David Schmid Chairperson
 Connie Wepfer.....Vice Chairperson
 Brad Pulaski Secretary
 Mark Leahy Treasurer
 Robert Erbs Board Member
 Amanda Shive Board Member
 Taylor Miller Board Member

Supervisory Committee

Amanda Shive Chairperson
 Clayton Kuhn Committee Member
 Taylor Miller Committee Member

IT Steering Committee

Cecilia Gray Committee Member
 Chris Nixon Committee Member
 Greg Lyon Committee Member

YOUR CREDIT UNION

Assets

Cash	7,828,314.30
Loans	108,213,341.37
Allowance for Loans	(1,000,163.64)
Investments	46,304,155.95
Fixed Assets	5,743,606.91
Other Assets	7,174,509.00
Total Assets	\$174,263,763.89

Liabilities

Member General Shares	56,870,749.87
Certificate Shares	28,097,844.98
Money Market Shares	35,412,033.55
Other Shares, Including IRAs	42,448,258.67
Liabilities, Including Payables	449,432.95

Member Equity

Regular Reserve	7,618,182.38
Undivided Earnings	7,228,138.93
Investment Reserve	(3,860,877.44)
Total Shares, Liabilities, and Equity ...	\$174,263,763.89

Balance Sheet Comparison

	Total Loans	Total Shares	Total Assets
2023	\$108,213,314	\$162,828,887	\$174,263,764
2022	\$115,206,106	\$183,684,212	\$193,447,696
2021	\$114,011,338	\$191,698,866	\$205,355,094
2020	\$124,969,738	\$181,762,235	\$196,991,676
2019	\$136,599,490	\$158,902,580	\$177,583,757

BY THE NUMBERS

Income

Interest from Loans	5,086,258.53
Income from Investments	1,553,650.99
Other Income	2,484,746.57

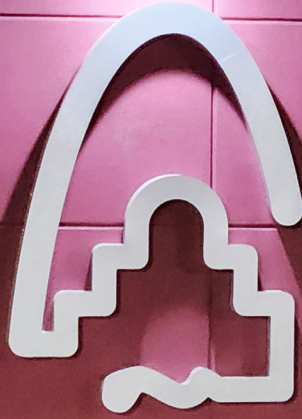
Dividends & Interest Paid to Members

General Shares	6,267.55
Certificate Shares	570,106.47
Money Market Shares	342,733.47
Other Shares, Including IRAs	67,767.63

Operating Expenses

Employee Compensation & Benefits	3,458,203.87
Office Operations	2,232,961.86
Marketing	166,951.75
Loan Servicing	586,954.29
Professional Services	746,021.59
Provision for Loan Losses Expense	141,759.61
Other Operating Expenses	46,329.22
Net Income	758,598.78





MISSION STATEMENT

Helping People Realize Their Financial Potential

Gateway Metro Federal Credit Union is a member-owned, not-for-profit credit union dedicated to providing each member with quality financial services and products that are competitive and innovative. We will provide friendly, efficient, and exemplary service. We are here because of you and for you.

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www.gogmfcu.org
NMLS #: 410276 | MLO# 614116



Federally
Insured by
NCUA