

Gateway Metro Federal
CREDIT UNION
Since 1935



MAKING A *Difference*

CHAIRPERSON'S REPORT

Distance Brought Us Together

Good Evening and Thank you for Participating in our 2nd Virtual Annual Meeting.

No one would have ever dreamed of a world shut down by a global pandemic. Over the past year, the Covid virus has affected so many, changing our world, our communities, our lives, our relationships and our perspectives. Through all of the information and negative impacts seen daily in the media, there are so many examples of how this pandemic has also allowed us to see the good in our community, our friends and our families. Front-line workers, doctors, nurses, police, firefighters and many public servants were there and continue to serve and assist those in need during these trying times. We also don't want to forget the truckers, delivery drivers, grocery and retail workers, the restaurant workers, the Zoom and Facetime applications, and all those who are making a difference to provide the goods and services needed to stay socially distanced yet connected until we can again be with one another.

Our credit union has also been there to provide assistance over this past year. With the Covid virus bearing down on so many of our fellow members, the credit union extended loan terms or made modifications to over 350 members seeking assistance, totaling over \$8.5 million dollars. Many of these members are on the path to economic recovery. However, many are still in need, and we will be here to assist them.

The management and staff of the credit union have taken, and will continue to take, precautions to create a safe environment for our employees and members to perform their financial transactions, to get access to credit and fulfill the needs of our community.

Enhancing Our Members Lives

In 2020, the credit union launched an upgraded home banking site with many new features. "Trends" allows account aggregation for members to build a one stop repository of their account information and balances from other financial organizations. "Credit Sense" allows members to not only monitor their credit scores but also offers helpful hints on how to improve their credit. Lastly, "Enhanced Transfers" through Zelle enables Person to Person transfers like Venmo. Strategic planning by the Board of Directors set the path for these enhancements, making it easier for our members to access self-service functionality and our staff to enhance their service to the membership by meeting targeted member needs.

Your credit union also began offering members the ability to schedule appointments at a branch or the administration office. This feature, displayed on our website, enables members and staff to limit their physical exposure by allowing staff to gather any documents that may be needed prior to the meeting. This feature proved valuable to those needing to discuss in depth topics and complete complex transactions such as establishing or dissolving a trust, taking out loans or discussing credit options and, in some cases, resolving fraudulent transactions.

Enhancing Our Community

The credit union continued community outreach efforts in 2020 by raising money and collecting items for Marygrove in north St. Louis County. Marygrove is an organization in the St. Louis area with a history of more than 170 years caring for children, teens and young adults, offering a safe and healing environment for its residents. The children and adolescents who are placed at Marygrove have often been through multiple, failed placements in other residential facilities or foster homes. Many come from abusive, violent and severely disruptive family situations; some come from failed adoptions; and, in a few instances, children are discharged from psychiatric hospitals directly to Marygrove. These valued children and young adults not only had to deal with a pandemic, but also with life struggles many of us cannot imagine. Your credit union donated over \$3,500.00 to Marygrove as well as several totes of toiletries and needed items. Finally, the pandemic has affected so much of our lives, but it does not keep us from living. Life will go on. We have persevered through social distancing and government mandates and actions. Gateway Metro Federal will not be deterred either, we will continue to fulfill our mission of "Helping People Realize Their Financial Potential" and serving our community.

Thank you,

Connie Wepfer
Chairperson



SUPERVISORY REPORT

April 2021

Innovation in member service, Bank Secrecy Act, Information Technology, Cybersecurity and Regulatory Oversight all touch the daily duties of your supervisory committee. It is no longer just cash counts and review of member information. Gateway Metro Federal Credit Union has always been progressive, offering you the 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.

The Supervisory Committee utilizes the Internal Auditor, a full time on staff individual, to ensure compliance with established policies and procedures set forth by the Board of Directors. The Internal Auditor actively works with our outside auditor to review, improve and implement existing and new internal controls. We meet monthly with staff to review internal audits performed, discuss member transactions and to receive education on items ranging from the latest fraud occurring in the financial industry to new products being offered and what internal controls will need to be established.

Through the cooperative nature between the Board of Directors and the Supervisory Committee we have attended and witnessed the actions of the board to address the critical needs of the members and staff, ensuring safe and sound decisions while addressing the external threats imposed by the pandemic.

This year as in previous, Gateway Metro Federal had engaged Anders CPA (formerly Cumming, Ristau & Associates, P.C.) to perform this year's annual audit. A revaluation of our process to reserve for troubled loans was performed to ensure the credit union is sufficiently reserved for the future. This "Allowance for Loan Loss" review required the credit union to add funds to our existing reserves. These additional reserves only position the credit union better to weather future financial impacts from trouble loans, especially during this time when so many individuals and families could be impacted further by the Covid pandemic. Due to Covid, Anders CPA had yet to provide a finalized audit report as of December 31, 2020.

The Supervisory Committee also acknowledges the work of the IT Steering Committee to ensure safe and sound business practices have been implemented to protect your member information and the IT network of the credit union. From patching, virus protection, vulnerability scans and essential service backup plans and testing; management and IT Steering are taking proactive measures to protect the memberships financial and non-financial interests.

Gateway Metro Federal Credit Union carries the \$250,000 federal deposit insurance for member's deposits, it consistently utilizes strong internal controls to protect member's financial interests as well as ensures proper systems are tested and implemented to continue service to the membership. Rest assured that your loans and deposits are safe at your credit union.

Respectfully Submitted,
Doug Simms
Supervisory Committee Chairperson

2020 Volunteer Board & Committee Members

Board of Directors

Connie Wepfer Chairperson
David Schmid Vice Chairperson
Brad Pulaski..... Secretary
Mark Leahy Treasurer
Robert Erbs Board Member
Carolyn Tochtrop Board Member
Doug Simms Board Member
Randy Hargraves Board Member
Jackie Smick Board Member

Supervisory Committee

Doug Simms Chairperson
Clayton Kuhn Committee Member
Cecelia Gray Committee Member

IT Steering Committee

Randy Hargraves..... Chairperson
Cecelia Gray Committee Member



YOUR CREDIT UNION

Assets

Cash	3,738,400
Cash on Deposit	17,839,946
Loans to Members	124,969,738
Allowance for Loans	(1,284,766)
Investments	40,560,103
Fixed Assets	4,998,224
Other Assets	6,170,031
Total Assets	196,991,676

Liabilities

Member General Shares	54,550,366
Certificate Shares	35,378,891
Money Market Shares	44,905,029
Other Shares, Including IRAs	46,927,950
Liabilities, Including Payables	1,012,380

Member Equity

Regular Reserve	7,618,182
Undivided Earnings	6,598,878
Total Shares, Liabilities, and Equity	196,991,676

Balance Sheet Comparison

	Loans to Members	Total Shares
2020	\$124,969,738	\$181,762,235
2019	\$136,599,490	\$158,902,580
2018	\$136,488,922	\$158,138,727
2017	\$123,049,676	\$163,064,199
2016	\$117,517,045	\$158,295,929

BY THE NUMBERS

Income

Interest from Loans	4,950,879
Income from Investments	782,796
Other Income	2,495,521

Dividends & Interest Paid to Members

General Shares	39,301
Certificate Shares	781,052
Money Market Shares	166,042
Other Shares, Including IRAs	74,600

Operating Expenses

Employee Compensation & Benefits	3,293,171
Office Operations	2,179,590
Marketing	130,483
Loan Servicing	349,004
Professional Services	733,458
Other Operating Expenses	114,064

Income before Provision	368,431
Provision for Loan Losses Expense	1,849,249
Net Income	(1,480,818)

Total Equity	Total Assets
\$14,217,061	\$196,991,676
\$15,367,134	\$177,583,757
\$14,737,028	\$173,561,816
\$14,688,055	\$178,279,784
\$14,227,883	\$172,998,757



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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Federally
Insured by
NCUA