



John L. Bissell

*President and
Chief Executive Officer*

Message from the President

When my children were young, I taught each of them how to ride a bicycle. Were they excited about gaining more independence with their newfound wheels? Absolutely. But first, they had to master the art of staying upright. My kids took some falls and earned a few scrapes and bruises, but with determination, resilience, and optimism, they soon learned how to balance, and then they were off to explore the world.

At Greylock, we think of our credit union business model as a bicycle, where the front wheel is the mission of financial inclusion; that's the direction we are always steering in. The back wheel is our profit margin, necessary to power the credit union forward. Both wheels are essential, and to keep moving forward, both wheels must be in balance.

I am grateful for the hard work of Greylock's 300 financial professionals in achieving balance throughout 2024.

- We expanded our local delivery of financial services by welcoming nearly 3,000 new Members, while also investing in a national shared



**ANNUAL
REPORT**

2024



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services partnership to share back-office functions with other credit unions. This partnership with Member Support Services (MSS) will decrease Greylock’s operating expenses and share in the costs of new technology, keeping more of our local resources dedicated to building Member relationships.

- Our Tellers and Member Service Representatives successfully completed 1.5 million in-person transactions with the warmth and heart that keep Members coming back to our branches for more! Members also completed 105 million transactions through Greylock’s digital channels, pointing to the need to balance outstanding personal service with accessible technology. This spring, Greylock will

as well as storytelling from local author Kevin O’Hara (aka “The Donkeyman”). Even as we celebrate this robust programming for our loyal senior Members, we also plan to establish a special youth-focused group to hear firsthand what’s on the minds of our Gen Alphas and Gen Zers when it comes to financial literacy and wellness. We’re excited to get these conversations started and build relationships with the next generation of Greylock Members.

Our balanced approach to delivering financial services for the entire community has resulted in steady financial performance and a rock-solid balance sheet. As we celebrate Greylock’s



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roll out a new digital banking platform with a simplified log-in experience, seamless links to external accounts, budgeting and spending tools, and much more. For more information, please visit www.greylock.org/digitalbanking.

- The Greylock QTC Club, partnered with Elder Services of Berkshire County, benefited from educational sessions on “Medicare 101” and “Frauds and Scams,”

90th birthday, you can be confident that your credit union will be here for generations to come.





Peter T. Lopez

*Chairperson
Board of Directors*

Report of the Chairperson

The year was 1935 and Amelia Earhart took to the skies, flying successfully from Hawaii to California—becoming the first person to do so; the Associated Press sent its first photo on its 10,000-mile Wirephoto service forever changing the delivery of news; and Franklin D. Roosevelt signed into law the Social Security Act, enacting a safety net for millions of Americans.

Beyond these remarkable milestones in history, 1935 marks a special time for Greylock Federal Credit Union.

It tells the story of our beginnings as the Pittsfield G.E. Employees' Credit Union, organized and created by an intrepid group of General Electric Company employees. The PGEFCU received its charter on January 4, 1935, and had a two-fold purpose: assist fellow employees in their quest to save their hard-earned dollars and provide access to low-cost loans.

The idea for a credit union first came to Charles G. Ericson, a carpenter shop foreman at G.E. During a visit to Germany a year before, he observed the operations

of credit unions. After witnessing the credit union's impact, Charles was inspired to create a similar model back home. Upon returning to the U.S., Charles met with 16 fellow employees to build a credit union of their own, and the rest, as they say, is history.

When I think of these individuals who laid the foundation for the 100,000-plus Member-owned financial institution that we have today, I'm filled with admiration for their courage and boldness. While the Great Depression was still a reality all around them, they were not deterred. They fully believed in the transformative power of credit unions, and with that unshakeable conviction, they forged ahead.

90 years later, we are still led by this belief in the Power of the Credit Union Difference. Governance may not seem exciting, but it's a major responsibility for Greylock's volunteer Board of Directors. As stewards of this long-serving, local financial institution, I, along with my fellow Directors, work diligently to ensure Greylock remains strong and effective in the lives of our Members. Indeed, it is our Members whose needs, voices, and votes help to clear the path forward. This year's election of four director seats on the Greylock board speaks to those democratic values in action, with each Member casting a vote for their candidates of choice.

Thanks to our Members' dedication to Greylock, I'm proud to share that in 2024, our credit union was able to extend financial support totaling \$727,908 to nonprofit organizations in the communities we serve. Our Community Support and Giving includes Health and Human Services, Economic Development, Education and Literacy, and Arts and Culture, allowing us to impact almost all areas of life from babies to our seniors.



Michael A. King

Chief Financial Officer

Report of the Chief Financial Officer

Greylock's balance sheet growth in 2024 was driven by our ability to continue meeting Member lending needs as

loans increased by \$16 million, or 1.3%, over 2023. We experienced an increase in nearly every portfolio, pushing our total loans at year end over \$1.3 billion.

Meanwhile, deposit balances decreased slightly by \$1.8 million (-0.1%). Declining deposit balances was an industry trend as consumers utilized more of their funds to meet higher living costs and sought alternative investment options as a result of the Federal Reserve Bank's interest rate policy. At the end of 2024, Greylock deposit balances equaled \$1.4 billion.

With the decline in deposits during 2024, borrowings and cash flow from the investment securities portfolio were utilized to fund the loan growth.

The quality of our loan portfolio remained

FINANCIAL STATEMENT HIGHLIGHTS

- Assets grew by 0.5% in 2024 after 3% growth during 2023
- Loans grew by \$16 million or 1.3%, which was lower than the 6% in 2023 and 12% in 2022
- Deposits declined for the second year in a row—although at a slight rate of less than 1% (\$1.8 million decrease)
- Net loan charge-offs increased from 0.12% to 0.20% of average loan balances
- Net income equaled \$4.7 million, which equals a return on assets of 0.29%
- Net interest margin improved from 3.08% to 3.19%
- Regulatory capital increased from 12.14% to 12.21%, reflecting Greylock's continued stability
- 60-day past due loans increased to 1.15% from 0.56% of total loans as the economic effects of the Federal Reserve's interest rate policy and inflation impacted our Members



strong. Delinquent loans of 60 days or more increased to 1.15% of total loans as the financial effects of high inflation and lower economic growth impacted our Members. This increase in delinquencies follows a multiple-year period of near pristine credit quality following the COVID-19 pandemic. Net loan charge-offs as a percentage of average loans were in line with historical averages at 0.20%.

Our regulatory capital ratio increased from 12.14% to 12.21%. Net income continues to be the primary source of capital generation and positions us well for future growth.

Net income for 2024 equaled \$4.7 million, which decreased slightly from \$4.9 million in 2023. The primary reason for

lower earnings was a \$2.1 million increase in provision for credit losses reflecting the normalizing credit position of our loan portfolio. Expenses decreased modestly compared to 2023, as our efforts to streamline operations offset contractual and inflation-driven increases in data processing and occupancy costs.

As we look ahead into 2025, our capital, liquidity, and loan quality are at very strong levels. Our balance sheet is well positioned to manage various potential interest rate environments and economic scenarios. We continue to actively manage expenses and regularly seek opportunities to grow our fee income businesses. We're excited for the opportunity to continue providing excellent Member services in 2025 and beyond.

STATEMENTS OF CHANGES IN EQUITY

Dollars in Thousands

	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Total Equity
Balance at December 31, 2022	\$ 165,729	\$ (33,851)	\$ 131,877
Net income	4,945		4,945
Adjustment for adoption of Current Expected Credit Losses (CECL)	(2,092)		(2,092)
Change in net unrealized loss on securities available for sale		5,304	5,304
Balance at December 31, 2023	\$ 168,582	\$ (28,547)	\$ 140,035
Net income	4,742		4,742
Change in net unrealized loss on securities available for sale		969	969
Balance at December 31, 2024	<u>\$ 173,324</u>	<u>\$ (27,578)</u>	<u>\$ 145,746</u>

STATEMENTS OF CONDITION

Dollars in Thousands

ASSETS

<i>At December 31,</i>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 37,915	\$ 24,386
Investment securities	214,764	237,642
Loans held for sale	1,295	753
Loans	1,307,318	1,290,918
Less: Allowance for credit losses	<u>(7,127)</u>	<u>(6,837)</u>
Loans, net	1,300,191	1,284,081
Property and equipment, net	19,449	20,236
Other assets	39,225	37,965
Total Assets	<u>\$ 1,612,839</u>	<u>\$ 1,605,063</u>

LIABILITIES AND EQUITY

<i>At December 31,</i>	<u>2024</u>	<u>2023</u>
Deposits	\$ 1,366,811	\$ 1,368,641
Borrowings	80,000	77,000
Accrued expenses and other liabilities	<u>20,282</u>	<u>19,387</u>
Total liabilities	1,467,093	1,465,028
Total equity	145,746	140,035
Total Liabilities and Equity	<u>\$ 1,612,839</u>	<u>\$ 1,605,063</u>

STATEMENTS OF INCOME

Dollars in Thousands

<i>Years ended December 31,</i>	<u>2024</u>	<u>2023</u>
Interest and dividend income:		
Loans	\$ 67,782	\$ 56,944
Investments and Fed Funds	<u>5,977</u>	<u>5,621</u>
Total interest and dividend income	73,759	62,565
Interest expense:		
Deposits	20,416	13,824
Borrowings	<u>3,396</u>	<u>1,420</u>
Total interest expense	23,812	15,244
Net interest income	49,947	47,321
Provision for loan losses	2,946	868
Other income	16,831	17,867
Operating expenses:		
Salaries and employee benefits	34,547	35,831
Occupancy (includes depreciation expense)	4,984	4,966
Loan servicing	1,946	2,579
Data processing	9,583	8,511
Other general and administrative	<u>8,032</u>	<u>7,488</u>
Total operating expenses	59,092	59,375
Net Income	<u>\$ 4,742</u>	<u>\$ 4,945</u>

Greylock Federal Credit Union Volunteer Board of Directors

Peter T. Lopez
Chairperson

Kelly J. Krok
Vice Chairperson

Krystle A. Blake
Secretary/Financial Officer

JamieEllen Moncecchi
*Assistant Clerk/
Recording Officer*

Gerard E. Burke

Tyrone A. Jackson

Sheila A. LaBarbera

John C. Law

Brett Random

Stanley B. Walczyk

Supervisory Committee

Bryan E. House
Chairperson

Lori E. Broderick-Bean

Joseph R. Baker

Catheryn Chacon Ortega

Peter T. Lopez

Directors Emeriti

Angelo Borsello

Ann Deely

Richard DeFazio

Jean Doak

Daniel Donovan

J. Paul Dube

Anthony Rinaldi, Jr.

Alfred Shogry

Marilyn Sperring

Greylock Branch & ATM Locations

Please visit www.greylock.org/locations for current hours of operation.

Greylock now offers Video Teller Services at 12 ATM locations. Please check our website for the location and hours of our Video Teller Services. www.greylock.org/VTS

PITTSFIELD, MA

150 West St. • (413) 236-4000

71 Elm St. • (413) 997-4400

75 Kellogg St. • (413) 443-5114

5 Cheshire Rd., Ste. 26 • (413) 445-5555

Berkshire Medical Center

725 North St. • (413) 997-6300

General Dynamics (*employees only*)

100 Plastics Ave. • (413) 443-0554

ADAMS, MA

2 Park St. • (413) 743-7333

GREAT BARRINGTON, MA

250 Stockbridge Rd. • (413) 644-9234

LANESBOROUGH, MA

1664 North St. • (413) 997-4888

LEE, MA

43 Park St. • (413) 243-2121

LENOX, MA

68 Main St. • (413) 637-4999

NORTH ADAMS, MA

131 Ashland St. • (413) 664-4477

WILLIAMSTOWN, MA

455 Main St. • (413) 458-4441

GREENPORT/HUDSON, NY

464 Fairview Ave. • (518) 660-7650

Additional Greylock ATM Locations

Pittsfield • 188 Elm St.

Pittsfield • 777 North St.

Dalton • 633 Main St.

Great Barrington • 29 Lewis Ave.

Lenox • 444 Pittsfield Rd.

North Adams • 71 Hospital Rd.



INSURED BY NCUA



150 West Street, Pittsfield, MA 01201 • (413) 236-4000 • www.greylock.org