

BALANCE SHEET

Assets	2011	2012	2013
Net Loans Outstanding	\$157,897,821	\$161,221,015	\$162,892,200
Cash and Equivalents	27,089,542	23,246,944	21,544,959
Investments	92,341,754	114,246,965	108,489,081
Land, Building & Improvements	3,221,453	3,002,775	2,972,872
Other Fixed Assets	361,602	311,854	340,866
All Other Assets	4,181,736	6,976,527	6,538,268
Total Assets	\$285,093,908	\$309,006,080	\$302,778,246
Liabilities & Equity			
Accounts Payable/Other Liabilities	\$1,875,918	\$3,379,326	\$1,776,493
Dividends Payable	3,315	-	-
Notes Payable	-	-	-
Member Shares and Deposits	254,979,381	275,328,973	271,461,429
Equity			
Reserves	4,031,025	4,031,024	4,031,025
Undivided Earnings	22,453,231	23,880,376	25,901,019
Unrealized Gains/Losses AFS Invest	323,890	365,741	(71,619)
YTD Earnings	1,427,148	2,020,640	1,456,392
Total Liabilities & Equity	\$285,093,908	\$309,006,080	\$302,778,246

INCOME STATEMENT

	2011	2012	2013
Interest Income & Expense			
Interest On Loans	\$8,739,298	\$8,290,814	\$7,286,339
Interest On Investments	1,695,477	1,545,605	1,357,379
Total Interest Income	10,434,775	9,836,419	8,643,718
Interest & Dividends	1,888,950	1,472,555	1,171,871
Net Interest Income	\$8,545,825	\$8,363,864	\$7,471,847
Provision for Loan Loss	1,070,773	586,492	99,218
Net Interest Income after PLL	\$7,475,052	\$7,777,372	\$7,372,629
Non-Interest Income	2,984,210	3,227,016	2,881,987
Non-Interest Expenses			
Compensation & Benefits	4,312,308	4,531,109	4,284,990
Office Operations	2,119,235	2,321,709	2,322,064
Loan Expense	345,468	378,104	376,103
Other Expenses	1,676,128	1,517,457	1,604,856
Total Non-Interest Expenses	\$8,453,139	\$8,748,379	\$8,588,013
Net Income before Corp. CU Costs	\$2,006,123	\$2,256,009	\$1,666,603
Corporate CU Stabilization Expense	\$578,976	\$235,368	\$210,213
Net Income	\$1,427,147	\$2,020,641	\$1,456,390

Welcome to the 80th Annual Meeting of General Mills Federal Credit Union

Two thousand thirteen was a year of challenge and opportunity for our organization and the financial industry in general. We were challenged by the economy, limited loan growth, narrow interest margins, fraud, regulatory oversight, the associated cost of compliance, as well as others. While such challenges persist, we continue to look to and plan for the future with optimism.

We continue to work diligently to organically grow within our business model, while also looking for future opportunities outside that model. That detailed view will include planned changes that will be realized in 2014 and beyond.

In spite of the many challenges, we have once again produced strong bottom line results with an ROA of .48%. If we removed the Credit Union system costs, due to others' losses that we must share, our ROA would have been a strong .54%. As a result, our Net Worth to Total Asset Ratio now stands at a very respectable 10.37%. Board and management have always been committed to maintaining a balanced and fiscally strong organization.

Our mission statement has always served as a guiding light to all initiatives: **To help our members achieve their financial goals by providing exceptional value through innovative products, personalized services, and secure growth opportunities.** All organization initiatives are filtered through our core objectives: Growth, Innovation, Value, and Service. Some of the highlights for the year include, but are not limited to:

- Deepened relationships with members through the increase of our Products per Member (PPM) ratio
- Pursued business development opportunities at GMI Plants
- Developed and implemented our Strategic Advantage Message (SAM), resulting in a national CUNA Diamond Award
- Nurtured relationships and involvement with General Mills
 - Supported Run of the Mills event
 - G-Alumni Retiree events
 - Contact & in-person meetings with Plant Managers
 - IT meet-and-greet
 - Involved in GMI HR task forces
 - Sponsor relations and Charter explorations - meeting with key GMI executives
 - Hosted numerous educational seminars
- Developed a comprehensive E-Delivery Plan to improve adoption/usage rates
 - Enhance Mobile Money user experience
 - Mobile Deposit
 - Branded App
- Created Social Media presence on Facebook, YouTube, LinkedIn and blog
- Developed cross functional knowledge base
- Initiated targeted marketing to segments of our current membership
- Shifted Balance Sheet mix to manage interest rate risk
- Focused on different loan types & investment portfolio diversification
- Remodeled headquarters lobby
- Integrated portfolio mortgages into our core system (Portico)

- Renamed/branded FNIC (Investment arm) to Cetera
- Rebranded TruStage (auto/home, etc., insurances)
- Implemented new ATIRA (credit card) interface
- Added Fiber optic network connection to GMI
- Introduced new and enhanced ATM/Branch locator
- Maintained constant and steady course despite economic and environmental challenges

Finally, we realize many thanks are in order. We would like to thank the staff for their dedication, hard work and ability to change and adapt in an ever changing environment. We would like to thank the board and committee members for providing strong business direction and advice. Most importantly, we would like to thank our members for their ongoing support. Without our members, GMFCU does not exist. Since our inception, we honor this relationship and continue to make our primary goal to provide each member/owner with a strong, safe, and efficient financial alternative. Together, we can look forward to a prosperous and bright financial future.

Respectfully,

Robert Kirk
Board Chair

Kent Greff
President/CEO

In accordance with the Federal Credit Union Act, the Supervisory Committee is appointed by the GMFCU Board of Directors and is given the responsibility to assure that the financial operations of the credit union are carried out in accordance with the Act and regulations of the National Credit Union Administration (NCUA).

The committee reviews and evaluates all internal audit reports completed by CliftonLarsonAllen and meets regularly with management to discuss the credit union's control environment.

The Supervisory Committee also retained the CPA firm of CliftonLarsonAllen to perform the 2013 Financial Statement Annual Audit in accordance with auditing standards generally accepted in the United States of America. Their report concluded that the financial statements were fairly stated in conformity with accounting principles generally accepted in the United States of America.

It is the opinion of the Supervisory Committee that the financial affairs of General Mills Federal Credit Union have been conducted properly and in accordance with policies, bylaws and regulations for the year ending December 31, 2013.

The committee thanks the entire staff for their cooperation in making 2013 a successful year.

Respectfully,

Joe Piepgras
Supervisory Committee Chair

report of the SUPERVISORY COMMITTEE

Headquarters

9999 Wayzata Boulevard
Minnetonka MN 55305

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1 General Mills Boulevard
Golden Valley MN 55426

Belvidere

915 East Pleasant Street
Belvidere IL 61008

Champions Center

1 General Mills Boulevard
Golden Valley MN 55426

JFB Technical Center

9000 Plymouth Ave N
Golden Valley MN 55427

Cedar Rapids

4800 Edgewood Road
Cedar Rapids IA 52406



Hannibal

1 Red Devil Road
Hannibal MO 63401

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Earl Robertson, *Director*

Martha Gschneider, *Director*

Tito Wouda, *Director*

Chad Kerlin, *Director*

Geoff Johnson, *Director*

Rebekah Ferguson, *Director*

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Joe Piepgras

Tara Sheridan

Megan Flynn

MANAGEMENT TEAM

Kent Greff,
President
Chief Executive Officer

Shirley Thompson,
Vice President
Chief Financial Officer

Missy Mound,
Vice President
Chief Operating Officer

Marlo Hirl,
Vice President
Chief Lending Officer

Robin Downing,
Vice President
Human Resources

Pam LaBelle,
Vice President
Marketing & Business
Development